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The Nation's Business

Election in 1929

Government Saved Tax Reductions for Next Budget

The Rideau Hall Criticisms

THE final and complete figures of revenue and expenditure for the Dominion in the fiscal year which closed March 31, last, were issued over the week end by the Bureau of Statistics and reveal the interesting fact that the country is much more prosperous than Hon. James A. Robb, minister of finance, claimed in his budget speech, delivered last February.

Instead of a surplus of $54,815,000, there was actually a surplus of $63,126,000, the estimate of the officials of the treasury being in error by more than $8,000,000. Seldom has the variation between the estimate and the actuality been so great and there is every reason to believe that the federal government had a very good reason for bringing down the budget before the final figures for the year were available. It now emerges that the taxpayers of the country were entitled to a much greater measure of relief than was afforded.

* * *

THE comparison between the estimated revenues and expenditures and the actual income and outlay is as follows:

Revenue	Robb's Estimate	Actual Figures
Customs	$153,600,000	$155,572,000
Excise	57,000,000	56,936,000
Post Office	31,000,000	31,306,000
Excise taxes	88,000,000	82,851,000
Income tax	55,300,000	56,548,000
Miscellaneous	27,680,000	33,915,000
Totals	$412,580,000	$417,128,000
Special rev.	6,900,000	6,900,000
Grand total	$419,480,000	$424,028,000
Expenditures—		
Total ordinary	$333,730,000	$329,967,000
Special	30,935,000	30,935,000
Total	$364,665,000	$360,902,000
Surplus	$ 54,815,000	$ 63,126,000
Bad debts written off	16,000,000	16,000,000
Reduction of debt	$ 38,815,000	$ 47,126,000

* * *

IT WILL be recalled that Mr. Robb reduced the personal income tax by ten per cent. and allowed a deduction from taxable income of $500 for each dependent over 21 years of age. He reduced the corporation income tax by a small fraction of one per cent. and the sales tax by one per cent. The reduction worked out to the amount of about $20,000,000. Had Mr. Robb come to parliament with a surplus in excess of $60,000,000 he would never have succeeded in getting the assent of the members of the commons to taxation reductions of this meagre amount.

There is good reason to believe, however, that the government was well aware that with a favorable crop the Dominion revenues might be relied upon to reach the peak of efficiency in the current year. Customs duties are rising rapidly, not only because of increased imports, but because the department is being made more efficient in every way. The results of the new system of appraisal and the new preventive force are only now being reflected in the revenues. The income tax department will benefit during the year from many wind-falls in the shape of the collection of overdue accounts and the broadening of the tax field. Stock speculators are to be taxed; the wheat pools may or may not be taxed. It may be noted that the revenues from income tax increased by more than $14,000,000 in April and if this lead is maintained the total revenues for the current year will exceed $70,000,000. The excise tax is bound to show a substantial improvement. Distillers are now paying arrears of gallonage and other taxes and already nearly $1,000,000 has been received in this way. The post office, under penny postage, instead of splitting even as in former times is now making money. The revenues from the sales tax will probably decline but this loss will be swallowed up in the general increases. It is quite clear now, that the government has so managed the last budget that the fiscal year 1928-29 will be a banner year in Federal financing. Unless there is a recession in business which is not now observable, Mr. Robb will come to parliament next session with a larger surplus than ever before.

* * *

GRADUALLY it is becoming apparent that there is some fact in the many rumors of cabinet reorganization which have been current in recent months. The inside information in the capital is to the effect that the government will utilize next year's surplus to bring in a budget which will ensure triumph at the election which will follow, in the autumn of 1929. This year the government got by with as little taxation reduction as possible. Next year there will be real and substantial cuts. Such matters as the excise duty on cigarettes and alcoholic beverages, which ought to have been reduced this year, will be attended to. The tariff, according to well-founded rumor, will be reduced on a number of articles. The tariff reductions will either force a reorganization of the cabinet or bring down certain of the protectionist ministers in defeat. The tactics, apparently, are to capitalize the low tariff sentiment in the Maritimes and the prairie provinces, and to hold on to Quebec. This if successful would result in the isolation of Ontario and British Columbia and would enable the administration to continue on a low tariff policy.

Every indication here strongly points to the accuracy of this forecast and the final revenue figures show that the government rushed the budget in order to escape the

(Continued on page 2, col. two)

KING EDWARD REPORTS $13 ON COMMON

Toronto Hostelry Expects Record Business in 1928

SAY FUTURE BRIGHT

Advent of Other First-Class Hostelries Will Lead to Better Business, It is Said

When shareholders of the King Edward Hotel Co. meet on Saturday, there will be presented to them an unusually good earnings statement. While precise figures are not available until after the annual meeting, it is stated that net earnings will show more than $13 per share on the common stock, after liberal writeoffs and an additional $100,000 charged for depreciation. This means that the $6 dividend being paid this year was more than twice earned in 1927.

Business for the current year, moreover, is stated to be much in excess of last year; and net profit for first four months of 1928 is believed to be nearly double that of same period a year ago. This result has been achieved not only through larger patronage of the hotel and consequent increase in gross; but the ratio of operating expense to gross business has been substantially reduced, with a consequent increase in profit per unit of business.

New Profit in 1928

At even the present rate of operating, 1928 profits should exceed by a handsome sum the good statement of 1927. But advance bookings for the balance of the year indicate an unusually heavy tourist and convention trade. For Toronto alone there have already been booked some 160 which run well over a thousand in which run well over athousand in attendance. The King Edward booking bureaus in Canada and the United States have been diligent in securing their share of this big business; and the next few months will see unprecedented convention and tourist business at the King Edward.

In connection with the added hotel accommodation which Toronto's big hotel building programme will soon bring into being, officials of the King Edward are quite optimistic. They point out the advent of new and finer hotels in both Canadian and American cities usually has a beneficial effect upon the first class hostelries already established. the five biggest years in the Windsor Hotel's life coming after the building of the Mount Royal in Montreal. In some two years there were added 7,800 rooms to Chicago's first-grade hotel accommodation, and despite this the older class hotels are doing better business than before the advent of these new hotels.

More Business Comes

More and better hotel business usually follows the building of the new first-class hotels, as there are then additional agencies at work drumming up business and advertising the municipality and its advantages. For instance, the advent of the Royal York means that the mammoth C.P.R. organization will route more and more tourists through Toronto, instead of following the northern route to Winnipeg. This means also that the big railway company's foreign tourist agencies will increase considerably the amount of profitable tourist business routed to Toronto.

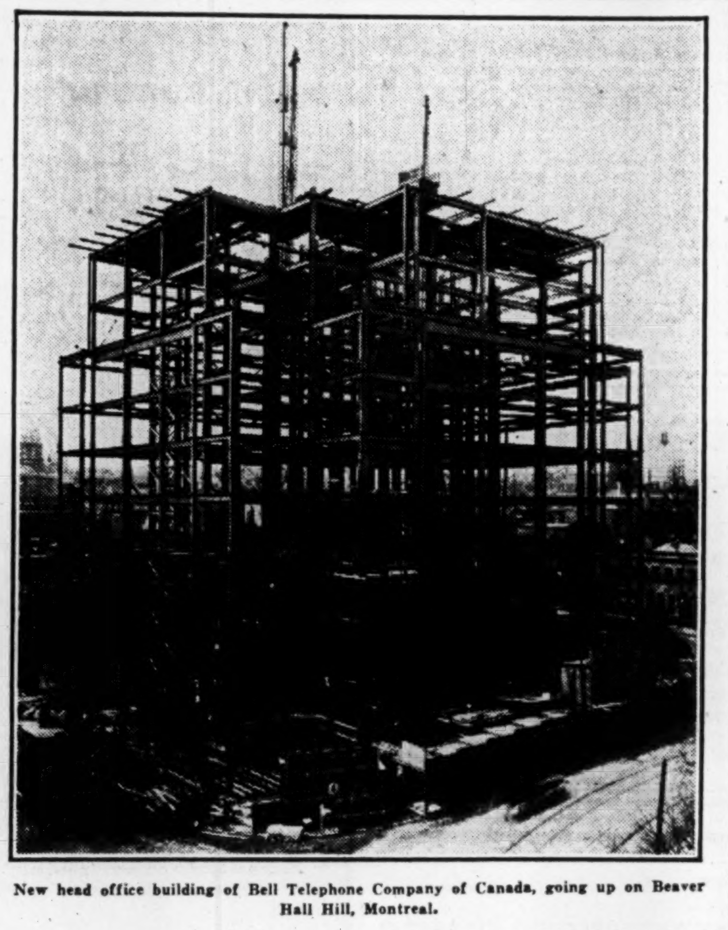
The King Edward itself is particularly well situated through its American and foreign connections to secure volume tourist and convention business. In the United Hotels and American Hotels groups in the United States there are some 65 fine hotel organizations located in as many cities. These have all been notified of the increased hotel accommodation now available in Toronto, and the former instruction not to route tourists here in peak-load times, will be revoked.

The King Edward Hotel is also affiliated with the United group of foreign hotels, consisting of 125 first-class hotels in European, African and Asiatic centres, including a famous Japanese hostelry. There are also some 50 tourist organizations in this group. And all of these resources and facilities will be working for the King Edward Hotel to ensure record business as additional hotel accommodation becomes available in Toronto.

Stimulate Fruit Growing

Efforts are being made by the Department of Natural Resources to revive interest in the cultivation of raspberries and foxberries in Nova Scotia. There is a growing demand for this fruit and the province is considered as eminently adapted to the growing of these berries.

Another Montreal Sky-Scraper Rises



New head office building of Bell Telephone Company of Canada, going up on Beaver Hall Hill, Montreal.

City Dairy Continues Rise; Business Grows Normally

Loses No Trade to Competitors While New Customers Are Found; Pool Reported Operating in Stock

Pool operations are reputed to explain the recent strength in the common stock of City Dairy on the Toronto stock exchange. According to authentic information which reaches The Financial Post, business in the current year is normal, with some increases over the corresponding quarters of last year but with nothing spectacular in fact or in prospect.

It is also learned definitely that City Dairy is not losing any business to dairies which recently have embarked on comprehensive advertising campaigns. It is admitted that a few customers were weaned from City Dairy some months ago, but a counter move has been highly effective, it is stated. There is keen competition between dairies in the Toronto field at present but City Dairy is more than holding its own. The urban business shows steady growth and a prosperous ice cream season is expected. The Dri-Milk business also is growing.

Winnipeg Electric Lease of Seven Sisters Site Not Lost, Only Delayed

From Our Own Correspondent

WINNIPEG.—The action of the majority of the Manitoba members at Ottawa with respect to the lease of the Seven Sisters power site to the Winnipeg Electric Co., has not essentially changed the situation except so far as the element of delay may be introduced. Essentially they have concurred in the lease being given to the Winnipeg Electric if by the close of the next session of the legislature neither the province nor the city of Winnipeg have asked for a lease of the site in question.

There is no likelihood of the provincial government being driven against its will into a publicly-owned development, which the premier has already declared would not be in the interests of the province, or any likelihood of the legislature failing to support the government on this question so far as the city of Winnipeg is concerned. The city council has already made its position clear. A referendum, such as the Dominion members propose, would be opposed on the ground of its probable adverse effect on the decision of the ratepayers on the question of developing the city's site at Slave Falls, which is shortly to be put before them on a by-law vote.

The Dominion government have really been asked to ignore the right of the provincial government to speak for the province and for the city council to speak for the city, which is a delicate position in which to put any government.

Muirhead Offer Rights on Stock

Shareholders in Muirhead's Cafeterias, Ltd., are notified of rights to buy one new share of common at $7 for each seven shares held of either common or preferred. The preferred is convertible on 60 days notice on a share for share basis up to March 1 next. Rights will accrue to shareholders of record June 16 and will expire on July 3.

This will bring into the treasury about $65,000. It was announced recently that the company would open a new restaurant on the lowest floor of a building at Bay and Wellington Streets. The company now operates three cafeterias, one of which is open until 2 a.m.

CANADA MALT OFFERS RIGHTS, $30 PER SHARE

Proceeds to be Used for Plant to be Built in Toronto

As was expected, directors of Canada Malting Co. announce an issue of treasury stock to be offered to shareholders of record at $30 the share, on the basis of one new share for each twelve held. If the present market prevails, the rights will be worth between 90 cents and $1 per share.

Proceeds of the sale of 15,333 shares at $30 will total $459,999. This will be expended in connection with the 1,000,000 bushel malthouse and the 750,000 elevator being constructed on the Toronto waterfront. The construction job is proceeding rapidly, the excavations now being complete.

The directors at the meeting on May 16 voted the usual quarterly dividend of 37½ cents the share, at the rate of $1.50 per year. It is stated that all the existing plants of the company are working to capacity and that sufficient business is more than probable for the Toronto plant to be built.

Rights accrue to holders of record June 1, and payments are due not later than June 15.

Heavy Buying Augurs Engravers Stock Split

Substantial orders have been placed this week for the common stock of Photo Engravers and Electrotypers, Ltd. It is understood that various interests are anxious to acquire this stock and have placed their orders at the market. The stock has firmed up lately and is now selling at slightly above 35.

This further confirms the report published in The Financial Post last month that a split in stock, or rights, would be offered to shareholders of Photo Engravers. At that time the president categorically denied any proposed change in capital structure, but the belief is growing stronger that a split will take place.

At present, there are 30,000 shares outstanding, which were offered to the public about six months ago at $29 a share. While there has been no unusual activity in this stock, its value has steadily appreciated and now represents a gain of over 20 per cent. on the original offering price.

In view of the large amount of national and local advertising, the photo engraving business has been experiencing an exceptional volume of orders. Photo Engravers have recently installed additional equipment and have under way plans for the construction of a fair size addition to its present plant.

Although no information is forthcoming as to current earnings of the company, indications are that they are running considerably ahead of those in the first six months period ended August 31 last, when net earnings of $67,383 were reported, or at the annual rate of $4.50 a share.

Burt Gaining With Profits up Normally

Recent activity in the common shares of F. N. Burt Co., Ltd., on the Toronto stock exchange has no connection with the operations of the company, according to a responsible official. And no capital revision or other change which would enhance the market value of the stock is necessary or contemplated, according to the same authority.

It is stated that the company's business so far this year has been satisfactory. There have been normal increases in most departments, it is admitted, but it is declared that nothing spectacular in the way of earnings has been experienced or reasonably can be expected.

ANOTHER STEP IN REVAMPING C.N.R. CAPITAL

This is Meaning of Grand Trunk Consolidation in States

TWELVE LINES IN ONE

Say Michigan Subsidiaries Will Now Give More Economical Handling of Traffic

From Our Own Correspondent

OTTAWA.—The consolidation of the Michigan lines of Canadian National Railways represents the first important step in the re-organization of the capitalization of these roads and the second step in the recapitalization of the whole system. The National Railways management, under orders from Hon. C. A. Dunning, has practically completed the consolidation of all lines between Detroit and Chicago.

Hitherto the properties controlled by the National Railway have numbered more than 12 separate railway companies. Now it is proposed to consolidate these lines into the Grand Trunk Railway Company; to retire their present indebtedness and to issue new securities secured by the assets of all these lines in one unit. While Ottawa has been somewhat secretive about the developments, C. C. Bowker the general manager of the Grand Trunk Railway in Chicago has issued a statement which reads as follows:

"The Grand Trunk Railway will have about 1,000 miles of track and the plan assures the continuance of the development and improvement of the lines. The consolidation further assures the continued expedited service given by the Grand Trunk, with correspondingly more efficient and more economical handling of traffic."

Lines Incorporated

The roads which are to be merged are: The Grand Trunk Western, operating between Port Huron and Chicago; The Detroit, Grand Haven and Milwaukee; the Chicago, Detroit and Canada Grand Trunk Junction, operating from Detroit to Port Huron; the Toledo, Saginaw and Muskegon; the Pontiac, Oxford and Northern; Michigan Air line; Detroit and Huron; Grand Rapids Terminal; Chicago and Kalamazoo Terminal; and the Bay City Terminal. In addition the new incorporation will control one half interest in the Detroit and Terminal Railroad and the Detroit and Toledo Shore line.

An application for incorporation is now before the Michigan Interstate Commerce commission, and there is no doubt but that it will be granted

The conclusion of this amalgamation will bring to a successful issue the second stage of the re-organization of the National Railways. The first stage was completed when the holders of Grand Trunk Pacific debentures and Canadian Northern Income bonds agreed to accept a new issue of Government securities in exchange for their holdings, thus making possible the lifting of the receivership.

Having achieved the consolidation of these lines, it is probable that legislation will be introduced next session enabling the financial features of the deal to be consummated.

Canada Bread Now Operates Dozen Plants

Canada Bread Co. now has a string of twelve bakeries, with the purchase of the Butternut Bread, Ltd., of Windsor, and the Whittaker Baking Co., of Brantford. The Windsor bakery was established only three years and is reported to have been successful in operation. Leo Page was the founder and also the owner of the Brantford company acquired by Canada Bread.

Canada Bread now operates three plants in Toronto, and other plants in Montreal, Winnipeg, Ottawa, London, Galt, Hamilton, Brantford, and Windsor. There are distributing depots in Oshawa, Westmount and Winnipeg.

Shredded Wheat Acts Impressively

Shredded Wheat is one of the stocks on the Toronto market which has acted impressively in the last week, moving up on sales totalling 5,000 shares. It is understood that a group of investors has been acquiring the stock for Canadian account. At least some of the selling has been coming from Buffalo and Niagara Falls, N.Y., which is the head office and main factory of the company.

Shredded Wheat showed $141,000 greater profits in 1927 than in the previous fiscal year. There are 400,000 shares of stock outstanding. There are no bonds or preferred shares. There is reported to be some betterment in 1928 business as compared to 1927.

This stock is considered one of the most stable of the common stocks, being widely distributed in investment hands and is perhaps one of the most attractive stocks on the Toronto board for persons who are willing to be patient over a term of years.

Some Paper Mills May Shortly Drop from Sales Group

Price Bros., Anglo-Canadian and Brompton May Handle Their Own Sales

SHARES SELL HIGH

Withdrawal Indicates Increasing Competition — Newsprint Stocks May Decline

Special Correspondence

QUEBEC.—The general feeling among the newsprint men here is that Price Brothers and Company and the Anglo-Canadian Pulp and Paper Mills are shortly to sever their connection with the Canadian Newsprint Company, the central selling organization which during the past year has handled close to half the total output of the Canadian newsprint mills. It is said also that the Brompton Pulp and Paper Company is considering a similar step.

While there is no direct investment interest in the large selling organization, yet anything affecting the Canadian Newsprint Company has a wide investment bearing. Up to the present, the sales company has sold the output of these three companies and in addition the output of the Abitibi Power and Paper and its many subsidiaries, Port Alfred Pulp and Paper and the Canada Power and Paper Corporation.

Conditions are Unsatisfactory

The possible withdrawal of these three companies from the co-operative sales organization seems to indicate clearly that the unsatisfactory markets for newsprint paper still persist—and are likely to persist for some time to come. In any even, the move seems to indicate lower paper prices with resulting lower revenues to the largest industry in the Dominion.

The over-expansion of the newsprint industry caused the formation of the Canadian Newsprint Company in the first instance. The various companies amalgamated their sales efforts with the idea of maintaining prices and lowering selling costs. Naturally the selling company has had its troubles.

Trouble With Hearst Contract

Some newsprint organizations such as Wayagamack, St. Lawrence and E. B. Eddy remained aloof from the Canadian Newsprint Company. Then, too, some of the companies interested got into a jam recently with many of the U. S. publishers by selling indirectly to the Hearst newspapers at below the prevailing market level. It is said that the trouble over the Hearst contracts is in part responsible for the desire of some of the companies to cut adrift from the selling organization.

The special agency formed to handle the business finally cancelled the Hearst contracts. But gossip here now has it that those mills which were to have sold the Hearst papers through the sales agency will resume negotiations with the large United States purchaser, and will dissociate themselves from the Canadian Newsprint Company. At the moment there is definite assurance that Canadian Newsprint Company has no relations with the Hearst group.

Position Not Improving

In any event, whatever may transpire within or without the large selling organization, there can be little doubt that as far as newsprint markets are concerned, the newsprint industry appears to be anything but improving its position.

In view of the general situation, careful and canny investors generally in this province feel that the stock market has over-valued many of the newsprint companies' shares and that some recession in this group of securities may be anticipated.

What with the spotty business conditions prevailing in the United States and the continued expansion of the newsprint industry, the market for newsprint paper has been tending to sag ever since the middle of 1927.

Offset by Market Buoyancy

While the actual position of the industry as a whole has been anything but improving during the past twelve or sixteen months, the stock market demand has steadily caused an appreciation in the newsprint shares. The anomaly is due to the buoyant markets of the last twelve months which have offset the hesitancy which has prevailed in the industry itself.

For the future, though, it is unreasonable to presume that the market prices will generally continue their advances. Therefore, it is reasonable to resume that the market action of the newsprint shares over the next six months will be more in line with conditions existing in the industry than has been the case in the past.

No Hint of Change in Price Remarks

From Our Own Correspondent

MONTREAL. — No hint of any change of the newsprint "status quo" is given in remarks made by John H. Price, president of Price Bros., and Company at their annual meeting. President Price said:

"With regard to the general position of the newsprint industry, we are still suffering from over-expansion. As I explained to you in my remarks last year, definite steps have been taken to improve the selling conditions, and I feel sure that these have in some measure been successful.

"We are also experiencing the tendency of merging newsprint companies under new financially strong groups, and I feel that such action will go a long way towards stabilizing conditions and regulating supply and demand not only as they exist today but for the future."

COAST BREWERY MERGER INVOLVES SEVERAL MILLION

Westminster, Kamloops, and Victoria Firms Brought Together

From Our Own Correspondent

VANCOUVER. — Breweries are the latest industry to be affected by the merger habit in British Columbia and the result of the consolidation completed last week leaves two main groups producing the bulk of beer in the coast province.

About $4,000,000 is involved in the merger of the Silver Spring (Maynard), Victoria-Phoenix, Rainier and Westminster breweries. The first two breweries are located in Victoria. Rainier is at Kamloops and Westminster at New Westminster. The merged companies will have a daily output of about 1,000 barrels of beer. They are being financed under the new consolidation by an eastern financial house, which has a 60-day option on the entire issue. Most of the stock, it is expected, will eventually be disposed of in British Columbia, following the plan successfully adopted by the B.C. Electric and B. C. Telephone Company during the past year. Victorians hold about 53 per cent. of the stock of the companies affected by the merger and one Victoria capitalist will receive approximately half a million dollars for his holdings.

CARILLON REMOTE SAY SHAWINIGAN

Situation Unchanged as Far as Power Company Concerned

From Our Own Correspondent

MONTREAL.—"As far as we are aware there has been absolutely no change in the situation regarding Carillon rights during the past six months," said one of the officials of Shawinigan Water and Power to The Financial Post this week.

Various rumors regarding settlement on the Carillon property have been circulated on the street of late, but although Shawinigan cannot make any official denial on behalf of the government, this statement merely represents the position as far as the company is concerned.

It is pointed out further, that there is virtually no possibility of a settlement being made until the question of power rights has been decided first by the Supreme Court of Canada and eventually by the Privy Council.

The rumors concerning Shawinigan have been in circulation for many days and even in the last month the market value of Shawinigan has increased by something like $32,000,000. Another factor is the fact that Shawinigan is almost certain to get the exclusive right to develop further large power sites on the St. Maurice River. This question was dealt with in The Financial Post two weeks ago.

Canadian Furnace Co. to Blow in Furnace

Construction work at the plant of the Canadian Furnace Co., Port Colborne, in connection with the new Welland Canal has been completed and the company expects soon to blow in the blast furnace which has been down two years.

The furnace, as heretofore, will produce foundry pig exclusively. The company is one of the most important industries in a community which includes such enterprises as the International Nickel refinery, Maple Leaf Milling and other concerns.

Will Treble in Size Vancouver Distillery

Brewers & Distillers of Vancouver, Ltd., in the year ended December 31, 1927, had net profits after all charges of $1,314,588, which is an increase of $624,696 from the previous year.

Current assets exceed current liabilities by $1,723,256 and the operating surplus as at December 31st, 1927, amounted to $1,758,382.

On July 1st, 1927, the balance of $673,500.00 20-year 6 per cent. first mortgage gold bonds of British Columbia Breweries, 1918, Limited, were redeemed and this company has now no bonded debt.

On December 23rd, 1927, supplementary letters patent were issued confirming special by-law providing for the conversion of the capital stock of the company as fixed by its charter, consisting of 1,500,000 shares of the denomination of $5 into 7,500,000 shares without nominal or par value, being on the basis of five of such shares for each of the original shares of the denomination of $5.

During the period under review two new warehouses, increasing the maturing capacity by 45,748 barrels, have been erected, and contracts have been entered into for further additions to the plant, which, when completed, will treble the production of the distillery.

SAY CHRISTIE DEAL IS OFF WITH C.&B.

Biscuit Co. Will Not Buy Half Interest in Pickle Concern

BY MUTUAL CONSENT

Failure of Plan Not Reason For Stock Recession; Profit Taking, With Some Short Sales May Explain

The deal is off between Christie, Brown & Co. and Crosse & Blackwell (Canada) Ltd.

It was announced on March 1st that Christie, Brown & Co. would acquire a half interest in the Canadian subsidiary of Crosse & Blackwell for the purpose of marketing the Crosse & Blackwell food products throughout the Dominion. J. C. Goff, president of Crosse & Blackwell, announced that he would remain as president, with C. E. Edmonds, president of Christie, Brown & Co., as vice-president.

Christie is Lower

There was tacit confirmation of this from Christie, Brown officials but no formal announcement came from that quarter. It was stated some weeks ago that there were details to be cleared up before the deal became a fact. Now it is stated that the proposed arrangement has been cancelled by mutual consent.

No further explanation has been vouchsafed.

Gradual revision in the market value of Christie, Brown stock until this week was not believed to have any connection with the failure to make the deal with Crosse & Blackwell. Just prior to the announcement of rights on Christie, Brown stock (one new share at $50 for each five held) the stock was at a high of 131½. Rights recently have been selling at $10. The stock, now exrights, recently has sold at 98. There has been a short interest, it is believed.

Recession in the market value of the stock from the record high is attributed primarily to some heavy profit-taking in the last few weeks. There will be 126,000 shares of common outstanding when the new treasury shares all have been issued. The preferred was redeemed or converted last year and it is thought that the remainder of the bonds, $250,000, will be redeemed before the year is out. The original issue, in 1925, was for $1,000,000.

General Trust Gives Bank's Shareholders Rights to Buy Stock

The $1,100,000 preferred shares of the General Trust of Canada that have been issued have been subscribed at par by the directors of the company, with the understanding that these shares would be offered at the same price to the shareholders of Banque Canadienne Nationale. The latter have been advised that they will have the opportunity of subscribing to this issue, until June 15 next, in the proportion of one share of General Trust of Canada for five shares, or fraction thereof, of the bank's stock.

International Utilities' Shares Part in Market

Renewed strength in International Utilities' "B" stock this week was accompanied by a fractional decline in the "A" shares, which are callable at 65 but which, are selling at around 48.

An explanation for the decline in the "A" shares may be found in the fact that large blocks of this stock were offered this week to Toronto brokers at 46, two points under the market, on condition that the shares be held for at least thirty days. The offerings came from New York without any indication as to whether shares were treasury stock or shares already outstanding. It is recalled that the company, on one previous occasion, raised new capital by selling "B" shares through the market.

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SYNDICATE SELLS BONDS AND STOCKS OF HOWARD SMITH

Well Known Paper Firm's Securities Meet Ready Reception

Following up the recent purchase of Howard Smith Paper Mills, Ltd., Wood, Gundy and Co., and syndicate offered this week $7,000,000 first mortgage 5½ per cent. bonds, Series A, and $4,500,000 6 per cent. cumulative preference shares, with a bonus of common, of the new company of the same name. Both issues were oversubscribed.

The company started to manufacture fine paper in 1912 with a capacity of 2,000 tons per annum. Through extensions and acquisition of other properties, it has become one of the most important fine paper manufacturers in the Dominion, with an annual capacity for sale of more than 30,000 tons. In addition, through a subsidiary, the company will control a recently completed plant for the manufacture of bleached soda pulp, with a present rated capacity of 15,000 tons a year, capable of being increased to 22,500 tons per annum.

Details of the issue follow:

$7,000,000
Howard Smith Paper Mills, Ltd.
1st Mortgage S. F. Bonds, 5½%
Series "A"
and
$4,500,000
6% Cumulative Preference Shares
(Following applies only to bonds):
Bonds Dated June 1, 1928 Due June 1, 1953

Company—Manufacturers of high grade papers and bleached soda pulp, with plants at Cornwall, Crabtree Mills, Beauharnois and Gaspe.

Earnings—Have shown a steady increase in past four years, those for 1927 being $926,046. Interest requirements on this issue of bonds totals $385,000.

Assets—Fixed assets have a value, exclusive of working capital, of $11,708,793. Net current assets amount to $2,028,947, and investments and advances to subsidiary companies of $699,035.

Timber Limits—Own pulpwood areas estimated to contain more than 3,000,000 cords. Present annual requirements 50,000 cords.

(Upon completion of present financing).

Capital	Authorized	Outstanding
First mtge. bonds (including Reg'd deb. stock	$12,000,000	$7,000,000
6% cum. pref. shs.	7,500,000	4,500,000
Com. shs. n.p.v.	300,000 shs.	200,000 shs.

Security—Secured by specific first mortgage and charge on all the company's real and immovable properties.

Sinking Fund—Commencing June 1, 1933, 2 per cent. for each of the first five years and 3 per cent. annually thereafter of all the issued bonds of Series "A."

Offer—Wood, Gundy and Co., Aldred and Co., Greenshields and Co., and Hanson Bros., at 99 and interest, yielding over 5.57 per cent. Preferred stock is offered at $100 a share, with bonus of one-fifth share of no par value common stock. Fraction of shares of common adjusted at $30 a share.

Radio Pref. Issue to be Offered Soon

There will shortly be offered to the public through H. R. Bain & Co., of Toronto, an issue of $300,000 of 6½ per cent. preferred stock of the Wentworth Radio and Auto Supply Co., Ltd. This is a merger of two companies; the Wentworth Radio Supply Co., Ltd., and the Wentworth Auto Supply Co., Ltd.

Both these companies were organized some years ago in Hamilton, by Herb Slack, and have successfully operated on a large scale, acquiring assets valued at more than $500,000. Profits have been on a substantial scale, amounting to $70,000 in 1927. It is intended to open a large distributing plant in Toronto, and later branch into other centres.

Nation's Business

(Continued from page 1)

necessity of reducing taxation now instead of 1929, which is slated to be an election year.

* * *

POLITICAL platforms have been upside down all through the present session of Parliament. Opposition members have been attacking the government for the introduction of typically Conservative policies and have offered instead policies reminiscent of other Liberal regimes. Such public ownership enthusiasts as Mr. Dunning have had to defend private ownership franchises and charters; the Conservatives, nominally less enthusiastic over public ownership, have criticized the government for favoring private interests.

The Rideau Hall debate indicated a similar variance from established policies. It was the Conservatives who joined with the farmer and labor members to criticize the expenses of maintaining the vice-regal home in suitable condition. The Liberals who in other days have made much capital out of Tory extravagances at government house, had to defend even greater expenditures made by themselves.

An annual debate on expenditures in connection with Rideau Hall is to be expected. The figures look large when grouped together and compared by some of the members with their own modest annual expenditures for lodging. But Rideau Hall is more than a domicile for the current incumbent of the particular office of governor general. It is the focal point of Canadian social life, the home of the nation's head. So long as we have a governor general we should be prepared to provide that governor general a home in keeping with the dignity and honor of the country.

Rideau Hall is no mansion. It is in fact quite antiquated and inadequate. It is not surprising that the Willingdon's have seen fit to urge steps towards its rehabilitation. There are fewer bathrooms per capita of the residents of Rideau Hall than in the ordinary Canadian home in town or city. It is, in fact, inferior to a modern second or third rate hotel.

The Conservatives made a mistake in joining in the general criticism of the expense of maintaining the office of governor general. They might have been on safer ground if they had inquired more closely into the prices paid for individual items of material, equipment and supplies purchased. The sorry feature is not the total expenditure but the waste involved in buying, in the mis-spending of money, all suggesting the conditions that are apt to arise in any government purchasing office.

CAN. COTTONS PROFITS OFF BY ABOUT 20%

Net Applicable to Stock Only Slightly Reduced—Position Strong

From Our Own Correspondent

MONTREAL. — Unsatisfactory conditions in the industry are blamed for lower operating profits of Canadian Cottons. There was a 20 per cent. decrease in operating profits for the year ending March 31, 1928, but this was somewhat offset by the fact that income from investments practically doubled during the year. The earnings, on the basis of common stock equalled 8.41 per cent. as compared with 9 per cent. in the preceding year.

Profit and loss figures are as follows:

	1927-28	1926-27
Operating profit	$426,879	$529,237
Interest on investment	174,240	92,467
Total income	$601,119	$621,705
Less:		
Bond interest	145,651	148,324
Bad debts	6,155	8,680
Net income	$449,318	$464,701
Less:		
Pfd. dividends	219,690	219,690
Com. dividends	217,240	217,240
Surplus	$ 12,383	$ 27,770
Add previous surplus .	2,737,563	2,709,793
P. & L. balance	$2,749,946	$2,737,563
P.C. on com.	8.41	9.00

Working Capital Position

	1927-28	1926-27
Current assets	$6,416,521	$5,988,123
Current liabilities ...	1,423,926	1,337,315
Working capital	$4,992,595	$4,650,808

The company's assets show a slight increase over last year; at $17,466,000. The main item in this is plant and property, $9,892,000. There is practically no change in the various items, except current assets which are higher than the previous year. Working capital is improved at $4,992,000. There is practically no change in the liability set-up.

To someone commenting on the existing situation in the cotton industry the president, A. O. Dawson, makes the following remarks:

Prices Fluctuate

"The raw cotton market had many and wide fluctuations during the period under review—futures showing a swing of from 14c to 25c, the price at the end of the fiscal year being about 5c a pound higher than at the opening of the year. In addition to the advance in futures just indicated, an exceptionally high premium had to be paid for the grades of cotton needed for the goods your mills produce.

"At no time in the year were the prices of finished goods on a parity with the price of raw cottons, due to the extraordinary competition from English and American mills, in which countries the textile trade has been in anything but a satisfactory state.

"The results of the year's operations would have been poor indeed were it not that the company fortunately owned a fair supply of cotton purchased well below the average price of the year.

Future Uncertain

"It is more difficult than usual to forecast the results of next year's operations, due to the changes in the tariff on cotton yarns and cotton piece goods, as announced by the finance minister when he recently brought down his budget. Your directors are making every possible effort to lower costs through increased economies believing that only as a last resort should wages be disturbed, as it is very desirable that the standard of living of our operatives may be fully maintained.

"Should the textile business improve in England and in the United States, enabling mills in those countries to market their production at a profit, the situation here would immediately show a change for the better, overcoming to some extent the loss suffered through recent tariff reductions. If the competition we are having at present continues unabated a lean year must be anticipated.

"In the last few years both in England and in the United States, and more particularly in the latter country, experts in a variety of industries have been at work devising ways and means of lowering the cost of production by standardizing methods. In sympathy with this movement your directors for months back have been studying methods of lowering costs in the mills of your company, and to achieve the best possible results the management is having a complete survey of the plants made by a group of American textile experts."

Blank Sheet of Paper is Bank Merger Record

From Our Own Correspondent

OTTAWA.—The period of bank mergers and consolidations in Canada is passed, for the present at least, according to Hon. J. A. Robb, minister of finance, who has brought down a statement in parliament showing that there are no applications for mergers on file at the treasury department in the capital.

Many members of parliament have been rather restive this session on the point of bank mergers. No doubt the explanation is that many persons interested in the Home Bank, who have not yet received complete repayment of deposits lost, are endeavoring to move the government by pressure exerted on the private members. Thomas Church, Conservative member for Toronto, finally brought matters to a head by moving that a return be brought down showing any applications for mergers or correspondence of this nature that might have been received.

In tabling the return, which was practically a blank sheet of paper, Mr. Robb stated that no such applications had been received, nor letters bearing on the subject.

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Notre Dame Bay copper belt, Newfoundland, has aroused the interests of English and American mining engineers, and powerful companies have taken over properties recently. The Arrod Exploration Company Limited have 320 acres with a vein of ore half a mile long, assaying up to 16% copper and 32% sulphur. The "Arrod" also owns 30 claims north west on the line of strike of the "Abana" in North Western Quebec. We believe it to be the best located prospect in this section of tremendous possibilities.

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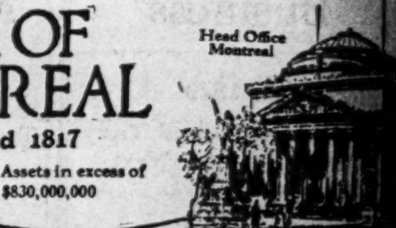

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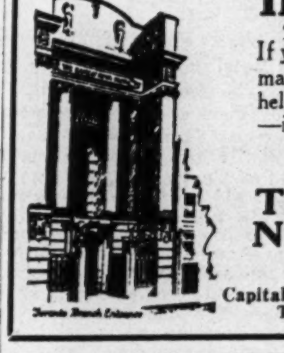

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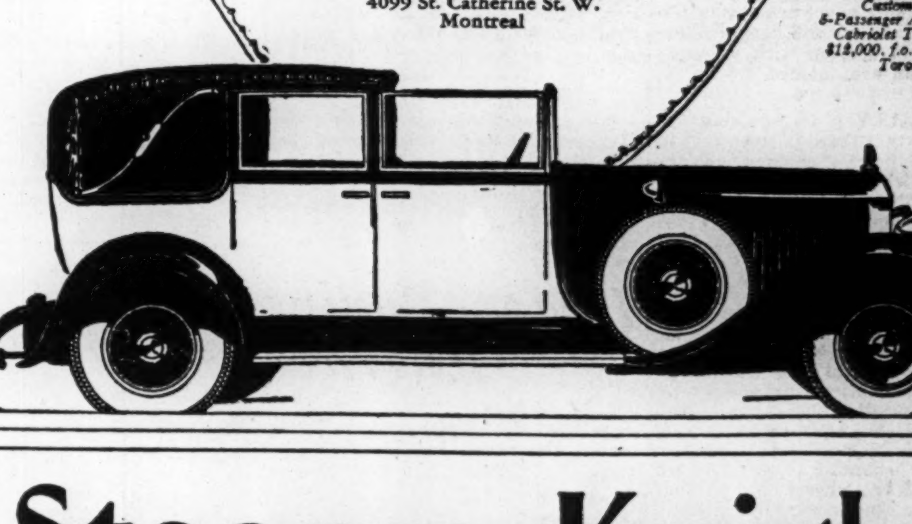

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UNITED STATES MAY BE IMPORTER OF 1928 WHEAT

May Not Grow Enough to Meet Own Needs This Year

IMPORT FROM CANADA

Prospects Are for Reasonably Good Price for Canadian Crop This Year

From Our Own Correspondent

WINNIPEG.—Present wheat market values indicate a strong current demand for wheat, and a belief that such a demand will continue for some months. Prices for October wheat reflect a current world opinion that the situation next October will be stronger than last October, from the producer's standpoint, but somewhat weaker than at the present time. On the basis of the opinion thus reflected, prospects are for a satisfactory disposal of remaining stocks of wheat in Canada, and for a satisfactory price for the crop which has just been sown.

U. S. Conditions Are Factors

Condition of the United States winter wheat crop will be one of the most important market factors during the next few weeks. In the greater part of the United States, as in Ontario and in England, wheat is sown in the fall. In the northwestern States, as in western Canada, they sow wheat in the spring. A large part of the winter wheat in Kansas, Nebraska, Illinois and Iowa, came through the winter in very poor condition. Cold weather, and lack of warm spring rains resulted in a still further deterioration. As very frequently happens, however, there was a tendency to exaggerate the damage, and a swift reversal of opinion took place with the first onset of good growing weather. On reports of damage the price of May wheat in Chicago shot up to $1.71, only to drop back again by some 17 cents a bushel within a couple of weeks. For the next few weeks it is likely that the market will be more sensitive to reports of the condition of the American winter wheat crop than to any other influence.

Much Damage in States

The crop forecast of the United States Department of Agriculture, published last week, with respect to conditions prevailing on May 1st, estimated a winter wheat production for the United States of 479,096,000 bushels, as against a production last year of 552,384,000 bushels and an average production for the last five years of 549,117,000 bushels. Out of the total area planted to wheat last fall of 47,844,000 acres, 25 per cent. or nearly 12,000,000 acres have been abandoned owing to winter and spring damage. This compares with an average abandonment for the past ten years of 10.5 per cent. It must be noted, however, that an annual production of about fall wheat last year, which compensates to some extent for the abandonment, although the acreage that can be harvested will be considerably less than that of last year, which was 37,251,000 acres.

Prior to the war the United States was producing annually about 690,000,000 bushels of wheat, of which something over 100,000,000 bushels were available for export. During the war production was increased to an average of 822,000,000 bushels, of which 240,000,000 bushels annually were exported. Production in some subsequent years has come very close to 1,000,000,000 bushels, but recently there has been a tendency to restrict wheat areas. It is now estimated that an annual production of about 750,000,000 bushels is required for domestic needs in the United States. Should the winter wheat production not exceed the recent estimate of the United States Government, it is conceivable that this total will not be reached by the combined production of winter and spring sown wheat, so that the United States instead of having a surplus to ship abroad, which amounted in 1926-27 to nearly 200,000,000 bushels, may actually be compelled to import wheat from Canada. Under these circumstances it would appear that the increased area in wheat this year in the West, which will probably be between 1,000,000 and 2,000,000 acres, need not create uneasiness.

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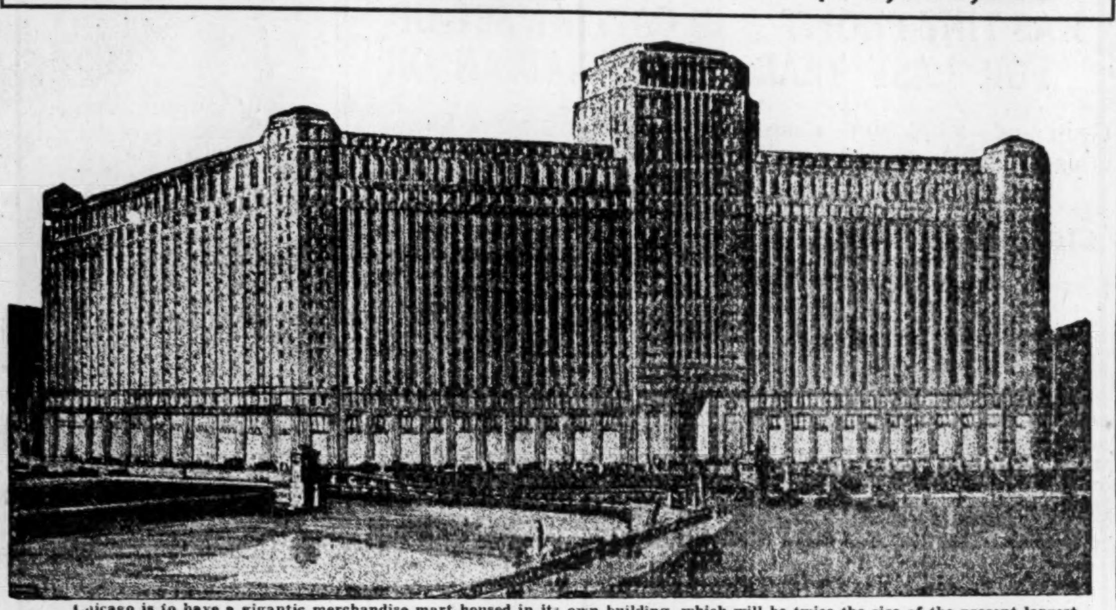

Chicago is to have a gigantic merchandise mart housed in its own building, which will be twice the size of the present largest business building in the world. This mammoth structure, two city blocks in length, 12 to 23 stories high, is planned for the service and convenience of merchandise buyers of the world. It will cost $30,000,000. Construction will begin immediately.

Within the walls of this huge edifice the retail merchants will be able to see, under one roof, hundreds of lines of the world's best merchandise.

The project will be the largest single development of "air rights"—the privilege of building over railroad tracks.

Public Ownership Rapidly Loses Out in Western Canada

Power Plants Sold to Private Companies — Railway Lines Put on Market — Private Ownership Favored for New Utility Developments

From Our Own Correspondent

WINNIPEG.—Those believers in public ownership as a principle, who are prepared to stand by their beliefs to the extent of preventing private development of public resources and public enterprises, are fighting a losing battle in western Canada at the present time. The news from Ottawa that the solidarity of the group of Manitoba members of the house, who were holding up the projected lease of the Seven Sisters power site on the Winnipeg River to the Winnipeg Electric Railway has broken is only one symptom of that condition, which exists also in the provinces of Saskatchewan and Alberta. The public ownership enthusiasts have to contend against a changed mentality in the West, which welcomes every indication of increased development through private initiative and private investment. Along with that there is a reluctance to see any unnecessary committments to expenditures by public authorities, in view of experience with certain public enterprises, and this at a time when private capital is ready to proceed.

Public Power League Fails

Some of the Manitoba members, formerly firm for public development of the Seven Sisters site are now lining up behind the Winnipeg Electric proposal for private development.

The Manitoba farmer government has been fighting to get the site for the Winnipeg Electric Company.

A "Public Power League" for Manitoba was organized recently, mainly through the efforts of S. J. Farmer, M.L.A., and former labor mayor of the city. Colin Burnell, president of the Manitoba Wheat Pool, became president of the Winnipeg section. The avowed object of the league was to secure public development of the water power resources of the province, and it was understood that if the lease to the Winnipeg Electric Railway could be delayed, they would enter on an active campaign to force the provincial government to action in accord with these views. The columns of the "Scoop Shovel," the organ of the Manitoba Wheat Pool, contained some lengthy articles in which public ownership was set forth as a principle which should receive the support of co-operators. But the Public Power League has not had much success so far in getting either persons of influence to join it, or in collecting memberships at one dollar each to finance such a campaign. Some members of the Manitoba Wheat Pool began to look askance at what appeared to be an attempt to bring the Wheat Pool into provincial politics, and against a farmer government.

Is Saskatchewan Serious?

In Sasatchewan, to quote the "Western Producer" of Saskatoon, the government "made a gesture" in the direction of public development and distribution of power when it appointed a commission to investigate the situation, but it is not committing itself further. In the meantime a large number of small municipalities have recently been granting power franchises to the different groups of power interests which are trying to get a secure foothold throughout the province.

Even should the provincial government wish to enter upon a government owned power scheme when it gets the report of its power commission, it is likely to find enormous difficulties in the way. One would be the amount of territory already tied up by contracts and franchises to the private companies. Another would be the severe competition it would have to face. Even if these could be swept aside by the province's power of expropriation, as some public ownership enthusiasts are willing to believe, the greater difficulty would remain. That would be providing a rapid almost immediate development over practically the whole province in order to supply the demand that now exists.

Get Rid of Rail Load

In Alberta, the sale recently consummated by the province of the Lacombe and Northwestern Railway to the Canadian Pacific Railway, marks the end of one public ownership enterprise. The continued efforts of the government to get rid of its northern railways mark the failure of another. The drag of those railways upon government resources has hampered provincial finance and government service to the province to a tremendous degree, according to the oft repeated testimony of Premier Brownlee and the members of the government. If they can get our from under, as they hope to do, it is extremely unlikely that they will be willing to consider any other large scale enterprise until provincial finances have recovered to some extent, from past losses.

When the question of the Spray power site was active, like the Seven Sisters Falls question it was complicated by the interests of the provincial government, the Dominion Government and a private company. The provincial government wanted the projected lease, if made, made to it, and it refused to declare whether or not it would proceed to development as a public enterprise or would re-lease the site to a private company. The Dominion Government was insistent that the lease should be made direct to the interest, whether private or public that would develop the site. The question has been dropped, as apparently there would not be enough power available from the Spray River if the scenic beauty of the National Park at Banff should be adequately protected. The Calgary Company, with the concurrence of the provincial government, has received a lease of a power site on Ghost River. The question of the willingness of the government to undertake a provincially owned power development has apparently gone into the discard.

Big Telephone Enterprises

In all three provinces there exists one effective check upon further expansion in public ownership enterprises. That is the public ownership of the telephone systems. In Manitoba all the telephones are provincially owned. In Saskatchewan there is a combination of municipal and provincial ownership. In Alberta they are mainly provincially owned, although the city of Edmonton still operates its telephones as a municipal enterprise. The expansion of these telephone systems, with the growth of population, and the insistent demand for rural telephone service, continually calls for large amounts of new capital and will call for large future additions to the public debt. No provincial government can afford to forget that steady strain upon the public credit.

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AMERICANS SEEK VICTORIA TAX LOTS

Make Offer to British Columbia City for Lands Taken for Arrears

From Our Own Correspondent

VANCOUVER. — United States capital is finding its way into British Columbia real estate on an extensive scale, and now the City of Victoria is negotiating with California financiers for the sale of all its reverted tax sale lots.

A few days ago representatives of an important Los Angeles financial syndicate were in Victoria inspecting the property and discussing terms with the city council. Since their return to Los Angeles efforts have been made to reduce the price originally asked by the city, and Mayor J. Carl Pendray, of Victoria, has gone south to continue the negotiations.

The City of Vancouver has been asked to cut its price from sixty per cent. of the list price of the property, which would amount to about $800,000 to 50 per cent. of the list price, which would be about $677,000. The new offer proposed a cash payment of $10,000 and the rest on terms. The syndicate would immediately assume all taxes.

The former offer was between $800,000 and $900,000, with a cash payment of $50,000, with $100,000 due on December 31, and a minimum of $100,000 due on every December 31, thereafter, until the entire property was paid for. Mayor Pendray will endeavor to raise the price and secure a cash offer for the land. Some members of the council would be satisfied with a cash offer of $500,000.

There are 2,317 parcels of land involved in the deal, the assessed value of which is $1,700,000 and the list price $1,355,000.

Whether sale of this property will result in a boom in Victoria real estate is now the subject of speculation, but there is little doubt that the California syndicate expects to dispose of its purchase to private buyers as soon as possible and an aggressive sales campaign is planned. In recent years some of the heaviest buyers of real estate in Victoria as well as in Vancouver and other British Columbia cities have been Americans.

Purchasing Sentiment

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*Extract from letter from Mr. L. R. Greene, Vice-President of Tuckett, Ltd., Hamilton.

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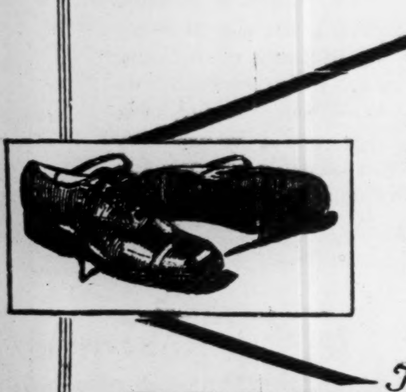

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CURRENT USES AT BARCELONA ARE GROWING

D. N. Heineman, Director, Reports Added Output in 1928

LOEWENSTEIN QUITS

Buying of Utility Shares For His Companies May Account Strength in Power Issues

The annual meeting of Barcelona Traction, held in Toronto on May 15, was a routine affair except for the remarks of D. N. Heineman, the director who lives in Brussels and who recently made a thorough inspection of the property. Mr. Heineman reported that the company's output in the first four months of the current year was 193,850,000 kilowatts, compared with 181,936,000 kilowatts in the corresponding period of last year.

There is a great field for expansion in the electrical industry throughout Europe, Mr. Heineman said, and he produced figures showing the comparatively greater expansion that has taken place in Canada and the United States. He left the inference that such companies as Barcelona can reasonably look forward to eras of substantial growth.

Loewenstein Not There

Captain Alfred Loewenstein, C.B., who was also a director of Barcelona, was in Toronto the day previous, but somewhat surprisingly did not remain for the meeting.

Walter Gow, K.C., replaces Capt. Loewenstein on the board.

The reason for Mr. Heineman's visit to the head office of Barcelona at the time of Captain Lowenstein's presence on this continent has not been divulged.

It is known that the other directors of Barcelona, Brazilian Traction and Mexican Light (the three boards are about 60 per cent. interlocking) do not concur with the opinions of and do not approve the attitude of Captain Loewenstein. Although it is possible that Captain Loewenstein, through purchase of stock in the open market, may be able to secure large blocks of stock in all these companies, it is deemed improbable that he will be able to secure control of Brazilian, the most profitable and largest of the three enterprises. It is understood that he has held enough stock to control Barcelona, but it is possible that this control was dependent on his having other support. At one time it was thought that he had the support of Mr. Heineman, but that situation no longer obtains, if it ever was a fact.

Power Stocks Rise

Purchases on behalf of the holding companies created under the aegis of Captain Loewenstein are attributed as the reason for the strength in the Canadian power stocks recently. Montreal Power, Quebec Power, Shawinigan, Power Corp. and Winnipeg Electric all moved upward impressively in the last few weeks. While all these stocks are considered excellent for the long hold, there does not appear to be any immediate prospect which justified the rapid advances of the last few weeks, except perhaps in the case of Winnipeg Electric and of its controlling company, Power Corp. The settlement of the Manitoba power situation clears the way for further sound growth of Winnipeg Electric and its subsidiaries and this, of course, will be reflected in the earnings of Power Corp.

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Standard Paving Dividend Action Expected Soon

Directors of Standard Paving Co. shortly are expected to declare a dividend of $1.50 or $2 the share on the no-par common stock which recently was offered to the public. The stock has had a favorable reception on the Toronto stock exchange.

The road-construction season is beginning well for the company, it is stated, and it is expected, in view of the contracts on hand, that the earnings will be well in excess of the earnings anticipated when the prospectus was first published. The amount earned in the first quarter was equal, it is reported, to about $2 the share.

TIP TOP TAILORS FINANCES UNDERGO BIG IMPROVEMENT

Cash Position is Greatly Strengthened—Sales Show Gain

A marked improvement in the financial position of Tip Top Tailors, has been accomplished by the management in the past quarter. Whereas at the beginning of May last year, the company owed the bank approximately $150,000, at the same time this year the loan had been wiped off and a substantial credit established.

So far this year sales are running well ahead of those for the corresponding period last year. While particulars are not available, it is said that actual sales are up about 10 per cent.

This has resulted in speeding up plant operations and a considerable amount of overtime work is being done. During the first half of May the plant was in operation four or five nights a week and on several occasions all day.

In addition to higher sales and greater utilization of factory facilities, economies in manufacture are being effected which are expected to have a favorable influence on profits. In each department every effort is being made to produce with the very lowest expense. In one department the cost has been cut from $1 to 72 cents per unit within the past few years. It is expected that further savings will be made.

A short time ago some new financing was carried out by the company, in the form of preferred and common stock. The common is now quoted at slightly better than the issue price of $31 and those familiar with the company's operations believe that it will sell considerably higher before the year is out.

CHAS. GURD SPLIT FORECAST IN FALL

Company Will Redeem Preferred — Maritime Plant Progressing

From Our Own Correspondent

MONTREAL.—Officials of Charles Gurd and Company announce that the new issue of 7,750 shares of common stock has been fully taken up and the mortgage of $300,000 paid off.

The company also states that an additional 2,000 shares of preferred stock will be redeemed on or about July 1st. There are at present 5,000 shares of preferred shares outstanding.

It is understood that the common shares of the company are to be split on a two for one about the 1st of August.

In order to serve its Maritime needs, the company recently incorporated a Maritime subsidiary and has at present under construction a plant in Saint John, New Brunswick. The new plant will be completed and completely installed by July 1st. Funds for this enterprise are being raised through a Saint John Syndicate.

Abitibi is Redeeming Underlying Preferred

From Our Own Correspondent

MONTREAL.—The Abitibi Power and Paper is continuing to redeem its underlying securities with the proceeds of the new 6 per cent. preferred stock issue. The following shares of the subsidiaries are being redeemed at par immediately:

Manitoba Paper Company, $4,800,000 8 per cent. preferred; Ste. Anne Paper Co., $2,700,000 7 per cent. preferred, and Murray Bay Paper Co., $1,250,000 7 per cent. preferred.

The redemption of these three preferred stocks in itself will call for an amount of $8,750,000. The Spanish River 8's are outstanding to an amount of $2,974,500, so that a sum of $3,152,970 would be required for this purpose (at the premium price of 106). This makes a total required for the redemption of the four securities of close to $12,000,000.

The redemption of these issues will mean a material reduction in Abitibi's annual fixed charges.

Carpenter Hixon Mills Commence Operations

The big new lumber plant of the Carpenter-Hixon Co., which has been under construction for many months at Blind River, Ont., has started operations. It will be some days yet before the mill is producing to capacity, but it is expected that within a month over half a million feet a day of white and red pine will be turned out.

During the past winter the company had thirteen camps in operation employing 2.100 men and 740 horses. The logs are now being floated down the Mississauga and Write rivers which unite about fifty miles from Blind River, and Mississauga emptying into Lake Huron through several mouths some four miles west of the sawmill site. The company have ample logs for the turning out of one hundred million feet during the coming season.

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FORD OF CANADA HAS TINY PROFIT FOR LAST YEAR

Gain of $171,000 Compares With $5,000,000 in 1926

LIQUIDS INCREASED

Lowering of Working Capital is More Than Offset by Additions to Plant Investment

Ford Motor Co. of Canada had a profit in 1927 but it was negligible compared with the profit for 1926, or for 1925, which was the best year in the history of the company. Net profit for the last three years, after deducting all charges including depreciation and taxes was as follows:

1927	$ 171,221
1926	$5,341,177
1925	$6,132,327

Ford of Canada paid $1,050,000 in dividends in 1927, which, in view of the small profits, compares very favorably with 1926, when $700,000 was so paid and with 1925, when $1,400,000 was distributed among shareholders. Issued capital of Ford of Canada totals $7,000,000 and recent transactions in the stock have been above $600 the share.

Position More Liquid

The balance sheet does not reveal any momentous changes despite the fact that the great factories were converted to the manufacture of a new model while the older models were discontinued. There is an increase in cash and government bonds from $8,859,226 to $13,545,122, indicating an automatic liquidation of inventory, etc., as the last of the older models reached the public. Accounts receivable, for the same reason doubtless, are down from $5,085,938 to $1,487,762. Inventories are down from $5,445,850 to $3,054,078. Investment in plant is up from $20,594,900 to $22,059,099. Of this sum, $19,513,365 is allocated to the home office and $2,545,733 is for branches.

Working Capital Less

With current liabilities totalling $1,426,946, working capital of the Canadian company stand at $15,321,016. At the end of 1926, working capital stood at $17,228,135. The reduction may be attributed to the use of current funds for plant reconstruction and improvements.

The account for the depreciation of plant now stands at $9,193,451, compared with $7,395,457 a year ago. The reserve for contingencies remains at $1,000,000. Total gross assets are $46,475,734, which is an increase from $46,110,916 a year ago.

ALTA. CONFERENCES HOPED TO CLEAR LOAN SITUATION

Loans Association Official Makes Clear Their Position

Concerning the loan situation in the Province of Alberta, R. D. Tighe, solicitor of the Mortgage Loans Association of Alberta, has written The Financial Post that not all of the recently quoted legislative enactments should be regarded as prejudicial to the loaning companies; and that extended conferences with the Premier are to be held this year with the object of clearing the situation so far as possible. Here is Mr. Tighe's letter:

"The attention of the Mortgage Loans Association of Alberta has been drawn to an article appearing in your issue of the 27th of April last entitled 'Farmers of S. Alberta Are Much Disturbed by Loaning Situation.'

"As the list of acts referred to therein was apparently taken from a memorandum submitted by this association to the Government, it might be inferred that this article was written on behalf of the association or with its knowledge or approval.

"I am requested by the association to say that such is not the case, and that the first intimation they had of this article was its appearance in your paper.

"Your article gives a list of nineteen acts, but reference to our memorandum will show that while it contains these acts, it is divided into two parts, the first consisting of six acts which the association consider most injurious. These six acts are:

The Municipal Hall Insurance Act.
The Personal Covenant in Mortgages.
The Wild Lands Tax Act.
The Dower Act.
The Noxious Weeds Act.
The Alberta Co-operative Credit Act.

"The others were acts to which the association's objections were of a minor and technical character, and the references to them were more of an informative than a critical nature.

"Among the latter particular mention may be made of the Tax Recovery Act, the Attornment Clause in Mortgages and the Crop Payments Act, in which representations were made on behalf of the association to the Government, and these three acts have been so amended that they are now satisfactory to mortgage lenders, and were only mentioned for the purpose of unimportant amendments.

"The association do not wish it to be understood that they are withdrawing from the position that they have reasonable and substantial cause for complaint as to existing legislation, having regard to the six acts particularly mentioned in their memorandum, but they want to make their position clear in respect of the remainder, especially the three in question.

"The Premier has intimated to the association that he is ready to have extended conferences with them during the present year with a view to seeing how far it is possible to meet their views, and it is desirable that the position of the association should not be misunderstood, particularly at this time, as they appreciate the opportunity that will be thus afforded them to discuss their difficulties in a friendly way, and are hopeful that the results will be to the mutual benefit of borrower and lender.

"The association will be obliged if you will give to this letter a publicity corresponding to that afforded the article to which it refers.

"R. D. TIGHE."

Cattle Exports Nil

Not a single hoof of Canadian cattle has gone aboard a cattle boat bound for Great Britain within the last ten months, though 100,000 head went to the United States in the same period. In addition, owing to increased prosperity, more meat has been consumed in Canada within the last ten months than for some time previously.

EXPECT CHANGES IN CAPITAL SET-UP OF CANADIAN OIL

Re-vamping May Change Position of 8% Preferred Shares

Some further financing is expected for Canadian Oil Companies in the current year. The old common of $100 par value was split six for one in April, 1927, and since has sold as high as 68. The current price is around 60, or the equivalent of 360 for the old common, which, prior to the split, achieved a record high of 150.

Plans are still in an indefinite state, but it is believed that any new arrangement of capital will include a revision of the preferred stock, which is 8 per cent. cumulative and is not redeemable. Some of the principal preferred shareholders have been sounded and it is believed that the required number would consent to a reduction in the dividend rate to 6 per cent. on condition that the number of shares outstanding be increased or that some participation in the profits of the company now accruing to the common be granted to the preferred.

At present there is $2,000,000 of preferred of $100 par value outstanding, compared to 96,000 shares of common.

James Playfair, with F. H. Fretter of Cleveland, and F. H. Littlefield of Toronto, is reputed to control the company. Also on the board are the Hon. W. D. Ross, G. H. Muntz, F. C. West, H. F. Hoecker, of Toronto, and C. S. Smith and W. H. Lamprecht of Cleveland.

The concern is affiliated with National Refineries of Cleveland, O. Canadian Oil Companies operates a refinery at Petrolia, and distributes its products throughout Canada.

Increase Grain Acreage

Increase in acreage of every grain in the Lethbridge Railway division with an increase of over half in rye is shown by the first crop report of the Canadian Pacific Railway.

Public Utility Earnings

Jamaica Public Service

March	1928	1927
Gross earnings	$58,177	$56,817
Net earnings	22,308	21,105
Surplus after charges	16,971	14,950
	Mar. 31,	Mar. 31,
12 Months	1928	1927
Gross earnings	$699,935	$665,889
Net earnings	288,031	270,311
Surplus after charges	217,095	196,031

Southern Canada Power

	April, 1928	1927
Gross	$151,073	$121,034
Expenses	48,311	43,773
Net earnings	$ 102,762	$ 77,261
Seven Months	April, 1928	1927
Gross	$1,040,443	$890,815
Expenses	329,419	295,908
Net earnings	$711,024	$594,907

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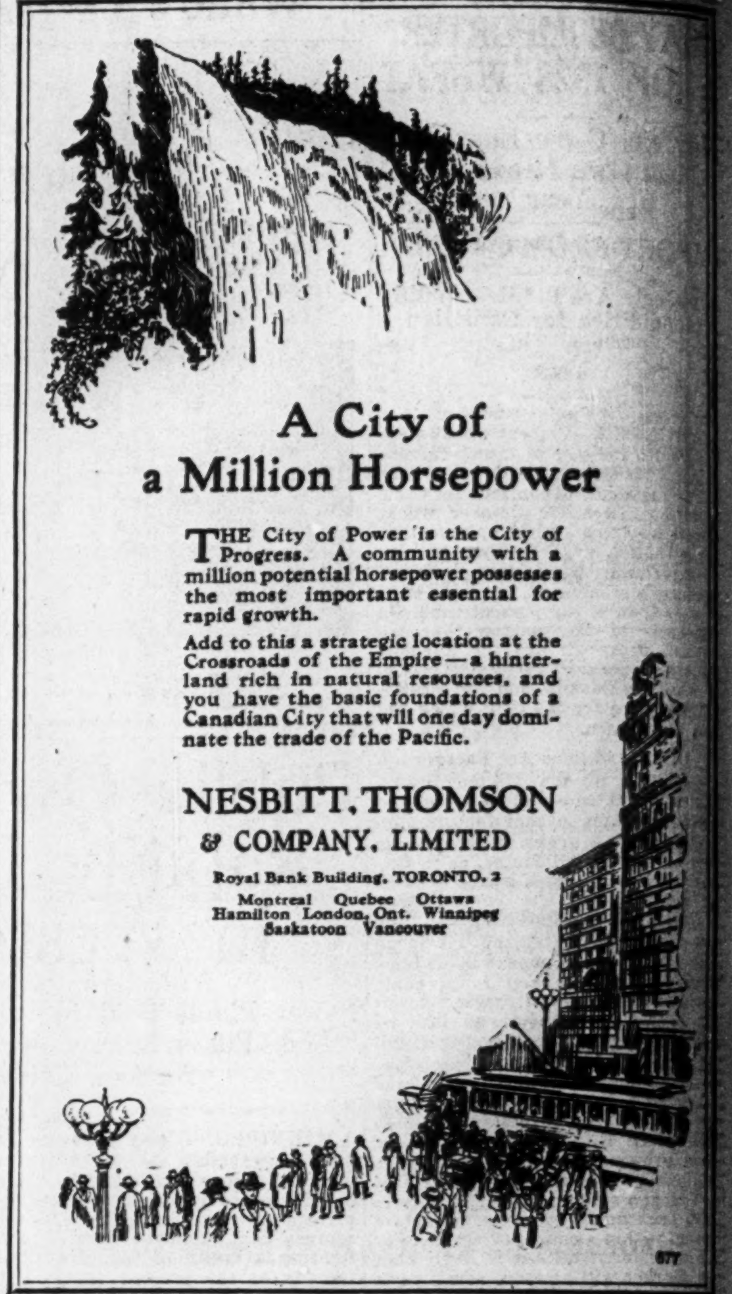

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Principal and interest payable at the Royal Bank of Canada, Edmonton.

Bonds in denominations of $1,000, $500, $100

Registerable as to Principal Only.

Callable at 105 on or before November 1st, 1932, with successive reductions of one per cent. annually to and including November 1st, 1936, and thereafter at 101 before maturity, plus accrued interest.

Western Trust Company, Edmonton—Trustee

CAPITALIZATION

	Authorized	Being Issued
7% General Mortgage Sinking Fund Gold bonds	$100,000	$100,000
Common Shares (Par value $100)	3,000 sh.	3,000 sh.

The proceeds of the balance of this issue are being used for purchasing, equipping and conditioning the mine to allow for increased output. It is located near Coalspur on the Canadian National Railway south of Edson in the Coalspur Coal field area.

This coal is mined under the Trade Name of "Beacon Hard Coal" and on account of its hardness, low moisture content together with its resistance to disintegration makes it one of the best Alberta Coals for the Ontario market.

The Company is operating with large markets already developed in Western Canada and the Pacific Coast.

Provision has been made for a Sinking Fund to retire the full issue by maturity.

PRICE:—Par and accrued interest with bonus one-half (½) share common stock (par value $100.) with each $100 bond.

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6% Cumulative Preferred Stock
Shares of Common Stock
Common Stock Subscription Warrants

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Price: at market

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News of Investment Markets

NEW TUNNEL ISSUE FOR DETROIT RIVER IS INTERNATIONAL

Joint Syndicate Offers Bonds in $23,000,000 Venture

From Our Own Correspondent

MONTREAL.—In order to provide an additional thoroughfare between Detroit and Windsor, first mortgage bonds in the Detroit and Canada Tunnel Company are being offered this week. The company plans to build a vehicular tunnel, to run under the Detroit River, at an estimated cost of $23,000,000.

The company's financing is being done by the issue of $8,500,000 first mortgage bonds, by $8,500,000 20-year debentures and an additional issue of common stock.

Details of the first mortgage bond issue are as follows:

$8,500,000
(Closed Issue)
Detroit & Canada Tunnel Company
First Mortgage 6% Sinking Fund Bonds
Dated May 1, 1928 Due May 1, 1953
Capitalization:—

	Authorized	Issued
6% 1st mtge. bonds	$8,500,000	$8,500,000
6½% 20-yr. debentures	......	*8,500,000
Common stock	3,100,000 shares	*2,250,000 shares

* To be issued.

Properties: The company will build a vehicular tunnel about one mile long under the Detroit River connecting Detroit and Windsor. The company or its subsidiaries will own and operate the entire development including the real estate at the terminal facilities.

Security: Secured by a first (closed) mortgage on all the real estate, terminal buildings, tunnel sections, franchises of the company and its Canadian subsidiary.

Estimated value of tunnel $23,000,000.

Earnings: Estimated earnings for first year are $1,660,000, or more than three and a quarter times the maximum interest required on this issue.

Other details: Interest payable May and November 1st, in New York, Chicago, Detroit, or Montreal. Redeemable on 30 days notice prior to May 1, 1943 at 105, thereafter at various reductions in the redemption price.

Sinking Fund: Operative September 1, 1932, sufficient to retire entire issue at or prior to maturity.

Offered: May, 1928, at 100 and interest to yield 6 per cent. by the syndicate composed as follows: Harris, Forbes and Company; Guardian Detroit Company; Chase Securities Corporation; Bertles, Rawls and Donaldson, Inc., A. E. Ames and Company; Greenshields and Company.

Coalspur Collieries Bonds Sold by W. Ross Alger Corp.

To provide funds for increasing the output of their mine, the Coalspur Collieries, Ltd., are offering the balance of an issue of an original issue of $100,000 7 per cent. gold bonds through W. Ross Alger Corp. of Edmonton. The increased demand for their product not only in the western provinces, but more recently in Ontario, necessitates further equipping and reconditioning of the mine.

Coalspur coal marketed under the name "Beacon Hard Coal," has been found particularly well suited for the Ontario market, largely because of its hardness, low moisture content, and resistance to disintegration; and the projected increase to mine capacity is to take care of actual existing market.

Particulars of the issue follow:

$100,000
COALSPUR COLLIERIES LTD.
7% General Mortgage S. F. Gold Bonds
Dated 1st Nov., 1926 Due 1st Nov., 1941

Company: Produces well-known brand of coal known as "Beacon Hard Coal," which has extensive market in western Canada and Ontario. Mine at Coalspur, Alberta on Canadian National Railway.

Capital:—

	Authorized	Issued
7% General mtge. S. F. gold bonds	$100,000	$100,000
Common shares (par value $100)	3,000 shares	3,000 shares

Assets: Leases comprising 3,140 acres carrying three large seams of coal. Reserves on some 600 acres of this area now being worked are estimated at 6,750,000 tons.

Earnings: On increased output and prices already in effect, earnings are estimated as ample to provide for bond interest requirements and leave substantial surplus.

Security: General mortgage upon all assets of company.

Sinking Fund: There will be set aside 10 cents a ton on all coal shipped at a value of $2 a ton, as sinking fund to retire issue at maturity.

Offer: W. Ross Alger Corp. Ltd., of Edmonton, at par and accrued interest with bonus of one-half share of common stock.

ONTARIO BUILDING LOAN IS OVERSOLD

Property Enlarged to Provide Space for Garment Trade

McLeod, Young, Weir and Co. announce the oversubscription of an issue of $800,000, 6½ per cent. first mortgage sinking fund bonds of Ontario Building, Ltd.

The building at present located on valuable Montreal property has been deemed too small by the owners. There is ample evidence to indicate that there is a strong demand among the garment trade in the metropolis for suitable office and light manufacturing space. Accordingly the owners are extending the present building and adding an additional four storeys.

Details of the issue follow:

$800,000
ONTARIO BUILDING, LTD.
6½% First Mortgage S. F. Bonds
Dated March 1, 1928 Due March 1, 1943

Security: First (closed) mortgage on property, owned in fee simple, and on a modern 10 storey fireproof building.

Earnings: Gross earnings are estimated at $156,000. Allowing for vacancies and management expense, there remains $107,400, equivalent to 2.05 times bond interest requirements.

Valuation: Based on a valuation of $355,000 for the land, the entire project is appraised at $1,360,000.

Surety Bond: In the amount of $300,000 will guarantee construction of building according to specifications and free of leins.

Insurance: Fire insurance to the full value of the property will be carried.

Sinking Fund: Sufficient to retire $496,000 of bonds by maturity.

Reserve Fund: Of $75,000 is to be accumulated and maintained.

Redemption: At various maturities and on a decreasing scale.

Offer: McLeod, Young, Weir and Co., at 100 and accrued interest.

Bond Notices

Guelph Carpet and Worsted Spinning Mills, Ltd., is redeeming all of its 6 per cent. first mortgage and collateral trust bonds on September 1, by payment of 105 at the office of the Royal Trust Co.

Bond Redemptions

	Rate	Due	Redeem.	Price
United Grain Growers	6%	1940	July 1	105
St. Francis W. P. Co.	6½%	1929	June 1	102
St. Francis W. P. Co.	7%	1930	Aug. 1	102
St. Maurice Power	6½%	1953	Aug. 1	107½
York St. Bldgs.	6½%	1940	Apr. 1	103
Beauharnois Electric	5%	1942	Sept. 1	105
Nor. Can. Pwr.	6%	1945	June 1	103
Can. Gyp. & Alabastine	6½%	1943	Aug. 1	105
Que. J.-C. Elec.	5%	1952	Aug. 1	110
Que. R. H.L.&P.	5%	....	Dec. 1.	105
Nova Scotia T.	5%	1946	June 1	105
Nova Scotia T. "A"	7%	1952	Oct. 1	110
Ottawa R. P. "A"	6½%	1953	June 1	105
P. Burns	6½%	1943	July 1	105
B. Greening Wire	6½%	1943	July 1	103

DOMINION OIL CO. OFFERING "A" STOCK

Acquires Large Wholesale and Retail Business in Ontario

An issue of 7,000 class "A" participating preferred shares no par value stock of the Dominion Oil Company, Ltd., is being offered this week by W. R. McCoo & Co., of Toronto.

This company is taking over all the assets of the Deep Rock Oil Co., Ltd., and all the stock of the Power Oil Distributors Ltd. The former company does a general wholesale and retail distributing business, the latter including ownership and operation of three service stations and forty curb stations in greater Toronto. The Power Oil Distributors, Ltd., is distributor for Toronto of "Havoline" oil products.

Particulars of the issue follow:

7,000 Shares
DOMINION OIL CO. LIMITED
Class "A" Participating Preferred Stock
(No par value)
Capitalization:—

	Authorized	Issued
Class "A" shares n.p.v.	25,000	15,000
Class "B" shares n.p.v.	20,000	20,000

Company: Owns through purchase Deep Rock Oil Co., and Power Oil Distributors, Ltd.

Assets: After present financing completed estimated at total of $257,283 with fixed assets of $104,267 and current assets of $105,913.

Earnings: Estimated at $55,000 or nearly 4 times dividend requirements of preference shares, based upon present earnings of Deep Rock Oil Co., and estimated earnings on Havoline business.

Dividends: Class "A" shares entitled to dividend of $1 per annum, and after similar amount has been paid on "B" stock, the class "A" shares will share equally in additional distribution of profits.

Offered: By W. R. McCoo & Co., at $15 per share with a bonus of half a share of "B" for each share of "A" purchased.

ONTARIO WINE CO. MAKES STOCK OFFER

New Toronto Concern Reports Earnings Averaging $24,000

Preferred stock to the total of $250,000 of Ontario Wine Co., Ltd., New Toronto, is being offered to investors privately. With five shares of preferred of $100 par value purchasers will be given three shares of no par value common as a bonus.

Ontario Wine Co., Ltd., is the successor to another company of the same name and of a subsidiary patent medicine company which manufactures various medicinal wines. The company has a modern factory building on the provincial highway at New Toronto. Land, buildings and equipment are valued at $85,710. Trade-marks, formulae, license, etc., are valued at $23,019. Current assets consist of $3,892 in accounts receivable guaranteed by the vendor, E. J. Morrow, and inventories valued at $3,892. Total assets are $139,686. Liabilities consist of $11,686 due vendor and $18,000 of a mortgage on the property.

Say Earnings Are $24,000

Earnings of the business are reported to have averaged about $24,000 in the last several years, as compared with preferred dividend requirements of approximately $17,500.

E. J. Morrow, former owner of the business, will remain as president and general manager. He receives for the business 1,100 of the 2,500 preferred shares to be issued and the 25,000 shares of common, some of which will be used as bonus stock.

Royal Financial Corp. Offer Kamloops Hotel Bonds

An issue of $65,000, 7 per cent. first mortgage bonds of the Kamloops Community Hotel, Ltd., are being offered by Royal Financial Corp., of Vancouver, at 98.94 and accrued interest, yielding 7.10 per cent.

This hotel was organized by Kamloops citizens and stock to the amount of $85,300, of which $81,000 is paid up, was sold locally. The hotel is now practically completed.

The present bond issue is secured by a first mortgage on the property and furnishings, which have been conservatively appraised at $142,000. The trust deed provides a sinking fund sufficient to retire the bonds by maturity.

Merchants Enxchange Bldg. Bonds Sold by G. A. Stimson

G. A. Stimson and Co., Ltd., are offering $300,000 6 per cent. bonds of the Merchant's Exchange Buildings, Vancouver, due 1948, at par and accrued interest.

These bonds are secured by a lien on the Merchant's Exchange Building at one of the most important business centres of the city, having an appraised value of both building and land of $440,000.

HINDE AND DAUCH GROWTH COVERED BY BOND ISSUE

Company Expanding in Eastern and Western Canada

Acquisition of additional properties, extensions and improvements of Hinde and Dauch Paper Co., is being financed through the sale of $1,500,000, 5½ per cent. first mortgage bonds, which A. E. Ames and Co., are offering publicly this week.

This company has been in operation in Ontario for the past 18 years. It is now the largest manufacturer in the Dominion of fibre shipping boxes and corrugated paper products, and also is the largest producer of straw paper for corrugating purposes.

Lately, Hinde and Dauch acquired the business of the The Thompson and Norris Co., of Canada, Ltd., through an exchange of the company's stock.

Furthermore, the company now has underway plans for the construction of a large mill at Winnipeg which will take care of western demands.

Particulars of the issue follow:

$1,500,000
Hinde and Dauch Paper Company of Canada, Ltd.
5½% 1st Mortgage S. F. Gold Bonds Series "A"
Dated May 1, 1928 Due May 1, 1948

Company: Manufacturers of fibre shipping boxes and corrugated paper products, with plants at Toronto, Trenton and Montreal and sales offices in the principal cities.

Capital:—

	Authorized	Outstanding
1st Mortgage bonds	$3,000,000	$1,500,000
Common stock n.p.v. shares	300,000	300,000

Assets: Consolidated balance sheet, giving effect to acquisition of Thompson and Norris Co., and the present financing, shows total net tangible assets of $4,810,857, or $3,207 for each $1,000 bond of this issue.

Earnings: Consolidated earnings have been satisfactory, those for 1927 amounting to $605,559. These figures do not take into consideration new developments, which are expected to add materially to company's earning power.

Security: First mortgage upon all fixed assets and all floating assets and all other assets of the company now owned or hereafter acquired.

Purpose of Issue: To reimburse company on account of capital expenditures, purchase of additional properties, etc.

Management: There will be no change.

Sinking Fund: Sufficient to retire 60 per cent. of the issue by maturity.

Offer: A. E Ames and Co. at 100 and accrued interest, to yield 5½ per cent.

Edmonton Woollen Mill Preferred Stock Offered

An issue of $150,000, 7 per cent. cumulative preferred stock of Western Canada Woollen Mills, Ltd., with a bonus of common stock, is being offered publicly this week by W. A. Faulkner and Co., of Edmonton.

This company has been incorporated to manufacture and sell blankets, tweeds, velours, etc., and is acquiring suitable premises in Edmonton, where will be installed most modern type of machinery including electric automatic looms.

Details of the issue follow:

$150,000
Western Canada Woolen Mills Ltd.
7% Cumulative Preferred Stock
(Par value $100 per share)
(After giving effect to proposed financing)
Capitalization:—

	Authorized	Issued
7% Cum. pref. stock	$250,000	$150,000
Common stock n.p.v. ..	5,000 shares	5,000 shares

Company: Incorporated to manufacture various goods, will occupy more than 20,000 feet floor space in Edmonton. Machinery with capacity to make up to 1,000,000 yards of cloth per annum will be installed.

Assets: Include machinery appraised at over $250,000, or net value of assets over liabilities equivalent to surplus of $211,000.

Earnings: Estimated at $53,000 after full allowances for depreciation, maintenance, taxes or over five times preferred requirements.

Offered: At $100 per share with a bonus of one share common, by W. A. Faulkner & Co.

This Week's Bond Sales

The City of North Vancouver has sold the following bond issues to Read Bros. & Co., Vancouver. $40,000, 5%, 15-year bonds at $100; $26,000, 5%, 20-year bonds at $100.80.

Due to a temporary lack of interest in the municipal market, there were only two other bids, those of the Canadian Bank of Commerce and the Royal Financial Corporation. The figures for the Canadian Bank of Commerce were: par for the 15-year 5%, and $100.28 for the 20-year bonds. The bids of the Royal Financial were: $100.122 for the 15-year bonds and $100.407 for the 20-year bonds.

Tenders and By-laws

May 21.—Nelson, B.C.—$45,000, 4½%, 20-year debentures for Trafalgar School. W. E. Wasson, city clerk. (See announcement on page 16.)

May 26.—Fort Frances—$42,000, 5%, 20-serial debentures. H. H. Marr, treas. (See announcement on page 16.)

May 28 — Town of Bagotville, P. Q. — $60,000, 5%, serial bonds. Charles Morin, town clerk

May — Town of Kenogami, P. Q.—$66,000 5%, serial bonds. Donat Demers, town clerk.

June 4.—Parish of Saint Jean Baptiste de Nicolet, P.Q.—$27,000, 5%, serial bonds. H. R. Dufresne, sec.-treas.

May 25.—Deloraine—$4,500, 6%, 20-instalment.

May 31.—Frontenac County—$53,780, 4½% 10-yr. debentures. F. H. Purdy, treas., Kingston. (See announcement on page 16.)

SASKATCHEWAN
Authorizations Granted by the Local Government Board
From April 28 to May 5, 1928.

Schools.—Graton, No. 18, $60,000; Hoffer, No. 4735, $6,000; Hodgeville, No. 3642, $8,000; Ivy, No. 3700, $2,500; Antelope Creek, No. 3751, $4,500; Mackenzieville, No. 1424, $2,000; Turtleford, No. 3580, $25,000; Hodgeville, R. T. Co., $2,200; Sunderland, R. T. Co., $200; Village of Climax, $4,000; Town of Delisle, $2,000.

Debentures Reported Sold

Douglas, No. 2699, $4,500, 15 yrs., 5¾%, C. C. Cross & Co., Regina; Gettysburg, No. 1977, $4,000, 15 yrs., 5½%, Geo. Moorehouse & Co., Regina; Lynnhurst, No. 2989, $2,000, 10-yrs., 5½%, Regina P. S. Sinking Fund; Rouen, No. 2784, $1,000, 5-yrs., 5½%, Regina P. S. Sinking Fund; Town of Gravelbourg, $2,384., $2,215, 25 yrs., 5½%, C. C. Cross & Co., Regina; Town of Milestone, $2,500, 10-yrs., 6%, H. M. Turner & Co., Regina.

Great West Saddlery Sales Record Substantial Gain

There has been a fair amount of activity this week in the common stock of Great West Saddlery Co. Financing of this company was completed a month ago. Since then there has been substantial expansion in production and sales.

Sales so far this year are stated to be more than 33 per cent. above same period last year; and profits for the six months ended December 31st last show an increase of 23 per cent. over previous year. It is expected that net earnings for current year will show around $3.50 per share of the common stock.

Freiman Stock to be Called Shortly on Toronto Curb

It is expected that the stock of A. J. Freiman Co., Ltd., will be called for trading on Toronto Curb Market within the course of the next few days. Both preferred and common will be listed, of which 85,000 shares of the latter and 10,000 shares of the former, are outstanding.

This company operates one of the largest department stores in the City of Ottawa. In addition to an extensive trade built up in the city, Freiman's have under way the establishment of a number of order-taking depots in the Ottawa Valley which are expected to materially add to the company's sales volume.

Horses in Ascendancy

There are in Alberta to-day 77,192 farmers who have 834,324 horses in use and 10,225 tractors. In Saskatchewan, records show 116,762 farmers with 1,199,566 horses and 24,367 tractors. Manitoba has 51,200 farmers with 356,480 horses and 10,833 tractors. The survey would indicate that while the horse is yet far from being a back number on Western Canadian farms, the day of the tractor has definitely arrived.

Invest. Bankers Complete Plans For Quebec Meeting

Plans have been completed for the annual meeting of the Investment Bankers' Association of Canada, to be held this year at Quebec City on June 13, 14 and 15 next.

The first day will be largely devoted to reports from the standing committees and general business. In the afternoon of the second day, the members are driving to the St. Anne Paper Co., and an opportunity will be made to visit Montmorency Falls. The annual dinner of the Association will be held at the Chateau in the evening.

The final day of the meeting will be given over to the annual golf tournament, which is expected to bring forth some hitherto unknown talent.

This is the first time that the association has held its annual meeting in Quebec City, and it is anticipated that the attendance will be above average.

Dominion Envelope Merges Western Companies

Dominion Envelope & Cartons have recently acquired control of the Hitchings Paper Box Co., Winnipeg, the Winnipeg Paper Box Co., Winnipeg, and the Dominion Carton & Printing Works, Edmonton. A new company, with head offices in Winnipeg, to be known as "Dominion Envelope & Cartons (Western) will take over these enterprises.

A reinfored concrete building of 80,000 sq. ft. has been purchased in Winnipeg and a new building is to be erected in Edmonton. The old company of the Hitchings Paper Box Co., who now have a building of their own, and the Winnipeg Paper Box Co., who also have a separate building, will be moved into the newly acquired building and manufacturer under one roof.

These three companies are the only carton manufacturers in the Prairie Provinces and will give considerable boxboard tonnage to the Dominion Boxboards, Toronto, owned and operated by Dominion Envelope & Cartons, who are just completing erection of a new mill on the harbor front.

An Unusual Sight

Some unusual sights are to be witnessed in the farming territory of Southern Alberta. In the same district it is possible to see ploughing, discing, seeding, threshing and hauling grain to the elevator at one time.

New Issue

CANADA NORTHERN POWER CORPORATION
LIMITED
5% Twenty-five Year Collateral Trust Sinking Fund Gold Bonds
Series "A"
Dated May 1, 1928 Due May 1, 1953
Price: 98½ and accrued interest, to yield over 5.10%
Descriptive circular on request.

Matthews & Company
LIMITED
Investment Bankers
255 Bay Street, Toronto 2 Telephone: Elgin 5192

THE NATIONAL CITY COMPANY CANADA

Commonwealth of Australia

External 4½% Gold Bonds
Due May 1, 1956

Principal and semi-annual interest (May 1 and November 1) payable in United States Gold Coin in New York, without deduction for any Australian taxes, present or future.

Coupon Bonds in denomination of $1,000.

Redeemable, at the option of the Commonwealth, as a whole or in part, upon 60 days' notice, on any interest payment date, at 100% and accrued interest.

Australian finance is on a sound basis. A return to the gold standard was made in 1925. Commonwealth revenues in 1927 showed a surplus over expenditures of nearly $13,000,000, and they are estimated to show a surplus in 1928. In our opinion the bonds of the Commonwealth of Australia provide an attractive and sound investment.

A circular giving further particulars will be mailed upon request.

Price 92.50 and interest, to yield 5%
(Subject to prior sale and change in price).

The National City Company
Limited
Head Office—St. James and St. Peter Streets—Montreal
10 King Street East TORONTO | 204 Blackburn Building OTTAWA | 71 St. Peter Street QUEBEC

New Issue

$4,500,000
Howard Smith Paper Mills Limited
6% Cumulative Preference Shares

Preferred as to capital and dividends. Cumulative dividends at the rate of 6% per annum will accrue from June 1st, 1928, and will be payable quarterly, but Preference Shares will not be entitled to further participate in the profits of the Company. Redeemable as a whole or in part, at the option of the Company, on sixty days' notice at 110 plus accrued and unpaid dividends to date of redemption. Non-voting unless and so long as six quarterly dividends shall be in arrears and unpaid.

For detailed information we refer to our circular containing letter from C. Howard Smith, President of the Company, which has been summarized in part as follows:

The Company

Howard Smith Paper Mills, Limited (Dominion Charter), has been incorporated to acquire the assets and undertaking of the company of the same name. The business is one of the most important fine paper manufacturers in Canada with an annual capacity for sale of more than 30,000 tons of paper—now being increased to 38,500 tons. In addition, through a subsidiary, the Company will control a recently completed plant for the manufacture of bleached soda pulp, with a present rated capacity of 15,000 tons per annum, capable of being increased to 22,500 tons per annum. Plants are situated at Cornwall, Ont., Crabtree Mills, P.Q., Beauharnois, P.Q., and Gaspé, P.Q. Products include a wide range of high-grade bond, book, writing, blotting and cover papers, as well as specialty papers.

Earnings

Annual net earnings of Howard Smith Paper Mills, Limited (old company), as shown by the company's annual statements, available for bond interest, depreciation, Preference Share dividends and income taxes, have been as follows:

1920	$1,089,899
1921	618,244
1922	693,540
1923	724,030
1924	677,894
1925	719,923
1926	844,576

For the year ended December 31st, 1927, corresponding net earnings, as certified by Messrs. P. S. Ross & Sons, Chartered Accountants, Montreal, were $926,046. After provision for interest on First Mortgage Bonds, to be outstanding, and depreciation, net earnings available for Preferred dividends and income taxes were $891,046, compared with annual dividend requirements of $270,000 on this issue of Preference Shares.

For four months ended April 30th, 1928, net earnings available for Preferred dividends and income taxes were at the annual rate of $270,000 in excess of earnings for the corresponding period in 1927. These earnings do not reflect the benefits to be derived from increased paper capacity of approximately 30%, which will be available as a result of extensions to be completed about July 1st next.

Assets

Based upon valuations of independent engineers, fixed assets, including plants, properties, buildings, timber limits and leases, have a value, exclusive of working capital, of $11,708,793. In addition, according to the Balance Sheet, certified by Messrs. P. S. Ross & Sons, Chartered Accountants, the new Company will have net current assets, after deducting all current liabilities, of $3,028,947, and investments and advances to subsidiary companies of $699,035.

Capitalization
(Upon completion of present financing)

	Authorized	Outstanding
First Mortgage Bonds (including Registered Debenture Stock)	$12,000,000	$7,000,000
6% Cumulative Preference Shares	7,500,000	4,500,000
Common Shares (no par value)	300,000 Shares	200,000 Shares

We offer these Shares, subject to prior sale, for delivery if, as and when issued and accepted by us and subject to the approval of our Counsel, at

Price: $100 per Share
with bonus of One-Fifth Share of no par value Common Stock
Fractions of Shares of no par value Common Stock will be adjusted at $30 per Share.

Application will be made to list the Preference and Common Shares on the Toronto and Montreal Stock Exchanges.

Wood, Gundy & Company
Limited

Aldred & Company
Limited

Greenshields & Co

The information contained in this advertisement is based upon statements and statistics on which we have relied in the purchase of these Shares. We do not guarantee, but believe the statements herein made to be true.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Village of Hastings	Apr.	Bell, Gouinlock & Co.	5%	20-ins	$32,000	99.75	5.03
Dist. of Point Grey	Apr.	Wood, Gundy & Co.	4½ & 5%	10-40 yrs.	759,053	96.40	4.84
Twp. of Osgoode	Apr.	Harris, MacKeen Co.	5%	20-yr.	29,000	101.12	4.87
Blind River	May	A. E. Ames & Co.	4½%	20-ins.	40,000	97.46	4.80
Renfrew County	May	A. E. Ames & Co.	5½%	10-ins.	30,000	102.45	5%
Saskatchewan Schs.	May	Various	...	....	18,599	.....	...
North Vancouver	May	Read Bros. & Co.	5%	15-yr.	40,000	100.	5%
North Vancouver	May	Read Bros. & Co.	5%	20-yr.	26,000	100.80	...

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Que. Saguenay & Chebougamau Rly.	May	Bray, Caron & Dube, and Syndicate	6%	1943	$3,500,000	100	6%
H. Smith Paper	May	Wood, Gundy & Co., and Syndicate	5½%	1953	7,000,000	99	5.57
Detroit & Canada Tunnel	May	A. E. Ames & Co.; Greenshields & Co., and U. S. Sydnicate	6½%	1948	8,500,000	99½	6.50
Detroit & Canada Tunnel	May	A. E. Ames & Co.; Greenshields & Co., and U. S. Syndicate	6%	1953	8,500,000	100	6.00
Starr Manufacturing	May	H. R. Bain & Co.	...	15-yr.	125,000	.....	...
Kamloops Community Hotel	May	Royal Financial Corp.	7%	1948	65,000	98.94	7.10
Merchants Exchange Bldg.	May	G. A. Stimson & Co.	6%	1948	300,000	100	6%
Stock Issues—							
Sarnia Bridge Co.	May	Williams, Partridge & Rapley	...	Class "A"	12,000 shs.	$32	...
H. Smith Paper	May	Wood, Gundy & Co.	6%	Pref.	$4,500,000	100	6%
St. Lawrence Paper	May	Flood, Barnes & Co., and Syndicate	...	Com.	130,000 shs.	$32	...
St. Lawrence Paper	May	Dom. Securities Corp., and Syndicate	6%	Pref.	$19,000,000	units	...
			...	Com.	190,000 shs.	units	...
Can. Coal Co.	May	International Finance Co.	7%	Pref.	$1,000,000	$25	...

THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Managing Editor—FLOYD S. CHALMERS

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A. B. C. inspection.

ADVERTISING RATES:
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Financial Reports, Debenture Notices, etc., 20c. per agate line.
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TORONTO, MAY 18, 1928

WHEAT PRICES OF 1928

IN SPITE of the fact that the spurt in wheat prices of a few weeks ago was followed by an almost equally rapid decline, public interest in the grain markets is increasing. Not only those who are inclined to so speculate upon the outcome are watching the situation, but also business men in general. The possibility of reasonably high prices prevailing for the Canadian crop means a great deal more than a speculative opportunity for those who like to back their opinion by transactions in the futures market. It means a great deal to the business of Canada.

On the basis of having say 350,000,000 bushels to export in a single year, the difference of 25 cents per bushel in value means a difference of nearly $90,000,000 to the wealth of the country. Such a difference means a lot to the manufacturers and wholesalers who may have goods to sell to the farmers of western Canada, but it means much, too, to every bank, to every mortgage and trust company in the country, to the dealers in securities, to practically every business man, and to every investor in the country.

Those who wish to follow the course of prices and the influences affecting them, have many different influences to keep track of. One of the first things to remember is that Canadian wheat is sold upon a world market, and that, in the main, the price of the Canadian crop is made by conditions outside of Canada. But the size of the Canadian crop is in itself one of the important world factors in the price of wheat.

Production, generally speaking, has much greater elastic possibilities than consumption, in considering any one country. In Canada, for example, we eat about the same quantity of wheat products per capita year after year. A difference in our production of one or two hundred million bushels, a difference that is easily possible, may be accompanied by a stationary consumption. But production differences seem to balance up over the whole world year after year, and conditions seldom result in either bumper crops or shortages in all the chief producing countries during the same year. Production of different countries, too, overlaps so while every day some eight million bushels of wheat disappear into consumption, every day sees fresh supplies of wheat brought on to the market somewhere in the world.

In England, and especially in the cities, there is a tendency for poverty to increase wheat flour consumption. Bread is likely to be the cheapest article of diet available, and investigations have shown that the poorer the family the greater is the proportion of its food expenditures which is applied to bread, and that at times the poorest are able to eat little else. In Europe, on the other hand, and especially among the peasant portion of the population, bread is more of a luxury food. Hard times tend to inhibit the consumption of white wheat flour and to switch the consumption to coarser grains, especially rye, and to vegetables.

For the next four months the eyes of the world will be on crop conditions in Canada. It is an old remark, but one that will bear repeating, that crop conditions in Canada are always good up to the end of June. This year, at least, it is likely to be true. Our Western crop has been put in under favorable conditions. Seeding, while not early, has not been late enough to cause apprehension. As always, we shall hope for plenty of rainfall in June, but the reserves of moisture in the ground should carry the crop well along even if the hoped for rains should be late. Whatever damage may be done the crop by unfavorable weather before the end of June is not likely to be irreparable. Some blowing of top soil is to be anticipated, but it is quite reasonable to expect a rapidity of growth that will keep down that danger. The danger period is not really to be anticipated until July. Up to that time the watcher of the markets must accord to the West the probability of at least an average crop. Hopes of a big crop should not be based on conditions before that time.

AND STILL THEY TALK

ANOTHER committee is sitting, this time to discover why Canada is not securing a larger number of immigrants. Like similar committees and royal commissions, it will secure reams of evidence, and will likely present a report which will have little or no value in solving our immigration problem.

It is, of course, well to have the opinions of people interested in this question, whether inspired by mercenary or altruistic motives. But so far there has not been any evidence heard by the commission which might be considered worthwhile.

There is no use in saying that certain people are not fulfilling their proper functions or that the railways and steamship companies are only interested in fares. What is wanted, is not further expression of conflicting opinions, but the establishment of a board of capable men with full power to study the immigration problem and set up and manage a simple workable plan, which will ensure the Dominion receiving a larger number of settlers. We need not a commission of investigation but a commission of action.

PIONEERING DOLLARS

AN AEROPLANE flew into the far north of Manitoba the other day and its passengers staked claims that were responsible for a rise of from $1,000 to $10,000 in the syndicate units of the mining enterprise that got them. Property is being sampled hundreds of miles from steel rails, with a vision that sees beyond mere transportation handicaps.

There is a proposal to settle rugged pioneering folk along the Hudson Bay Railroad.

The latter thin band of steel is being stretched to Fort Churchill.

A Winnipeg newspaper speaks of the handicap of the western shores of Hudson Bay because of lack of a railroad. But Ontario is extending its railroad north to James Bay and engineers discuss the time when it will be linked with the Hudson Bay Railroad to supply the need the Winnipegers feel.

Capitalists are already surveying with envious eyes the power along the mighty reaches of the Nelson River.

Truly Canada is broadening out, in a physical sense. We are no longer, economically speaking, a long but thin strip of settled area. The far north is a distant field that looks very green to those with money to invest.

The trek of men and money towards the pole has immensely strengthened the assurance of a vigorous and healthy future growth for Canada.

It is now a certainty that vast riches will pour out of our north within a few years.

A few years ago The Financial Post was roundly criticized in Western Canada, because it said the Hudson Bay Railroad could be better sold to the people of Canada as a development and colonization road than as a grain route. If there is to-day less criticism in the east of the Hudson Bay line, it is not because aviators have found the Arctic lanes navigable for a long period of the year, but because mining, timber and power resources along the route have begun to be surveyed.

Yes, riches will be pouring forth from the north within a few years. But before the money comes out much money will go in. Private capital is turning the rocks and trees and water of the north into gold. The $30,000,000 of the Whitney's, the millions more of other mining groups, and the millions that will allow for timber and power development will make a pulsating north possible. Without these dollars the north would remain a James Oliver Curwood sort of land. Perhaps, though, when the more successful of these dollars begin to return dividends to those who thus shot their arrows into the air there will be plenty of people to speak of easy money and to demand confiscatory taxation.

Changes in the map of Europe since the end of the war will not hold a candle to the changes that will be made in the map of Canada in the next few years. But how much better the changes! No mere shifting of boundaries but a dotting with towns and villages and a netting with rail, aeroplane and motor routes.

LOWER COST INSURANCE

THE ranks of Canadian life insurance companies have been split over the question of lower cost policies. Some of the companies have been issuing "super select" policies at low rates. The policies provide for very small excess premiums over and above anticipated final cost; and, of course, the dividends that the policy holders may expect are to some extent limited. But they meet the demand of most business men who buy their life insurance carefully and with a careful weighing of the factor of present expense.

Super-select policies are not the final answer to the public demand for a tendency in the direction of lower cost life insurance. There are objections to them. One is that they too often are being offered by the companies where it is necessary to meet competition in closing a contract. The ordinary small buyer of insurance seldom learns of their existence. Theoretically the "super select" risk is a person of particular attractions for the company from the standpoint of health, occupation, etc. Actually, he is likely to be, as an insurance authority remarked the other day, a person who is being approached by more than one life insurance agent.

A general scaling down of all life insurance premiums, without camouflage, is more sensible and may be anticipated. Such a lowering of the average premium would enforce further economies on the companies; including lower commissions to salesmen. It would give them smaller sums for investments. It would mean that dividends paid to policyholders would be smaller. It might mean that the companies would share a large percentage of their profits with policyholders, increasing the normal from around 95 per cent. to 97½ per cent. in most cases. This might have a tendency to slow up shareholders' dividend returns.

Many able insurance executives are resisting the tendency to lower premiums. They recall wars and epidemics, and see the need of strong companies with large reserves. But despite their viewpoint the fact remains that the tendency is to smaller premiums and many of the leading insurance authorities of the country are giving the movement every support.

ECONOMICS OF ILLNESS

HOW formidable an item illness is in the list of economic wastes, is indicated in a bulletin on "Industrial Health Service" issued by the Insurance Department of the Chamber of Commerce of the United States.

An electric service company estimates the cost of illness at $28.50 per employee per year. Another manufacturer placed the loss for each employee at $125 a year. Estimates of loss of time due to illness range from seven to nine days per employee. A large store found that employees needing dental work, having uncorrected eye defects, being 15 per cent. over or under weight or having defects commonly considered unimportant, lost 12 per cent. more time than employees rated as class A who were free from these defects.

Experience has shown that much of the economic waste due to illness can be checked. "One store averaging 4,000 employees over a period of three years," the bulletin continues, "after installing medical supervision, according to their health records, showed a loss reduction in the second year as compared with the first of about 8,000 working days, or an estimated saving in wages and compensation alone of $29,094. The third year, when compared with the first year, showed a saving of 16,000 sick days. As a part of these total savings, a campaign against colds was followed by a reduction of 3,143 cases with a saving of 5,495 days giving an estimated reduction in lost wages of $16,814.70."

NOTHING TO FEAR

HUME CRONYN, president of the Huron and Erie Mortgage Corporation, reports that on his recent visit to England he found a number of leading financial men expressing the view that there was a potential menace in the large investment of United States capital in Canada. It would have been more interesting to have had Mr. Cronyn's own views on the subject rather than a report by him of other people's views.

The British feeling to which Mr. Cronyn refers is one that has been expressed on numerous occasions. But Canadians have always found it difficult to become alarmed by the inflow of American capital into this country. The $3,500,000,000 of United States money invested in Canada is a large amount, but it is small in comparison to our total national wealth which is over $25,000,000,000. It has come to Canada in varying amounts, and under a wide diversity of circumstances, representing the establishment of branch plants of American concerns, development of individual mining, timber, or power projects, purchase of Canadian securities on the Canadian or American stock exchanges, etc.

So long as the major proportion of the capital for Canadian development remains Canadian—and this is certain to be the case for all time—we need not fear the political effects of the investment of capital from any foreign country in a minority interest in our resources.

EDITORIAL NOTES

A MAN keeps on speculating for the same reason he keeps on betting he'll break 80 this year.

* * *

GIVE MR. FORKE his due. He has greatly reduced and practically eliminated improper use of the permit system in inmmigration.

* * *

DISCLOSURES regarding trafficking in immigration permits will be no news to those who read The Financial Post's article on this subject last fall.

* * *

MOTTO for the protective tariff advocates, culled from the remarks of Signor Benito Mussolini: "No nation is great which is not industrially great."

* * *

A NEW YORK bank advertises itself as America's largest savings bank. It has deposits of $300,000,000. Three Canadian banks have savings deposits in excess of this amount.

* * *

THE THREE most important business meetings of 1928 will be held in Quebec in June. These are the annual conventions of the Canadian Chambers of Commerce, the Canadian Manufacturers' Association and Investment Bankers' Association of Canada. The C.M.A. will meet on board ship but Quebec is the focal point.

* * *

THE United Farmers of Canada, Saskatchewan section, in its weekly page in the Western Producer attacks the profits system. The only way a positive advantage can come to one of the two persons to a bargain is by a positive disadvantage to the other. It would apparently abolish all middlemen and get down to a straight matter of barter. However, most people would prefer not to go back 1,000 years to the barter system.

* * *

THE ST. CATHARINES Standard says that on the same page that The Financial Post carries a list of giant corporations in Canada it enquires where Canada is to get the money to launch the Deep Waterway Project As a matter of fact, we did not make any such enquiry, but since the St. Catharines Standard has made it for us we would say that the list of companies suggests an answer to the question. The Canadian section should be developed by private capital.

POST-scripts

SOME new things have gone on the air. A Toronto investment banking house gives a weekly concert to push its securities. A mining brokerage house has varied the usual report of stock exchange prices by adding a review of the market with the latest hot tips. The other night we tuned in and it was the Town of Grimsby broadcasting the story of its advantages in a five or ten minute talk over a Toronto radio station.

THE wild splurge of speculating attendant upon the "bull" stock market during the past year, has resulted in rapid gains for a few and some "never-to-be-forgotten" lessons by others. Just the other day, we heard a story about a deaf and dumb man's "raid" on the market which caps all other stories of a similar nature.

This man after years of saving, finally accumulated $1,000. He sought advice from a reputable investment banker, who purchased for him sound bonds, returning a comparatively good yield. Nothing was heard from this man for some time. Then the banker heard that the deaf mute had sold the bonds and put the proceeds in Loblaw's rights.

Unfortunately the man did not have any money to take up his stock, nor did he know enough to sell his rights before they expired. Result—experience and the loss of his savings.

EVERY once in a while Magna Charta bobs up in parliament and the successive incidents serve to prove how pronounced is the belief among British people everywhere that Magna Charta still remains the basis of our legal institutions. Senator Belcourt read a passage from Magna Charta the other day in defending a bill that would repeal those sections of the Immigration Act providing for deportation of immigrants who attack our institutions. The passage he read was as follows:

> No man shall be taken or imprisoned, nor prejudged of life or limb, nor be dis-seized or put out of his freehold, franchises or liberties or free customs, nor be outlawed or exiled, or any otherwise destroyed unless he be brought in to answer and prejudged of the same by due course of law; nor shall the King pass upon him, nor condemn him but by lawful judgment of his peers or by the law of the land; and the King shall sell to no man, nor deny or defer to any man, either justice or right.

ONE of the most original annual reports published is undoubtedly that of the Commercial Life Assurance Company covering the 1927 business. It is more than an annual report It is a veritable mine of information about the company, about life insurance and about Western Canada.

The originality begins with the covering which shows a photograph of Mount Edith Cavell. A report of the annual general meeting held at Edmonton is interspersed with photographs of leading Western Canadian cities, taken from points of vantage to show the Commercial Life offices in those cities. Clippings of what newspapers said about the company's 1927 year, letters from satisfied beneficiaries are features that have a distinct confidence-winning value for the company. Other pages are devoted to selling particular types of policies; the inviting coupon is not missing.

The report is evidence that size has no monopoly of aggressiveness in a company. J. W. Glenwright, managing director, of Commercial Life has again scored.

AMERICAN tourists motoring through Canada are astounded by the size of the figures on the bank windows. After being accustomed in the smaller towns across the line to see some such figure as "Capital $10,000; Total resources $110,000," painted on the front door of their local bank they see, in the smallest hamlets on Canadian highways, bank wndows lettered "Capital $20,000,000; Reserve $30,000,000." They must be astounded and sorely perplexed. How could such a small town support a large bank? is the natural question to be asked by a person who does not understand the Canadian banking system. And there are millions in the States, including bankers in border cities, who know practically nothing of the Canadian banking system. Consider the recent example of a Detroit bank that refused to accept a guarantee of signature from Canada unless it was signed by an officer of the bank. And he refused to accept the signature of the manager of a branch with local deposits as great as the total resources of the American bank in question.

Whatever criticism is levelled at the Canadian banking system there is no doubt that it gives the smallest hamlet all the safety of big banks.

IN THE most rambling address of the session, Tommy Church, M.P., did score one point, in our opinion. He told of asking for a return from the government and finding therein a letter signed as follows:

> I have the honor to be, with the highest respect, Sir,
> Your most obedient servant,
> Sgd. H.H. WRONG.
> (For the minister).

Ordinary common sense business men receiving letters from the government or reading published dispatches that have passed between governments or ministers find it difficult to understand what good purpose is served by the meaningless observance of worn out amenities that is suggested by the ponderously polite salutation at the end of governmental correspondence. Often enough the context of the letter is directly opposed in tenor to the final 21-gun salute For instance, we have observed letters that read, in meaning, if not in text something like this:

> Excellency:
> You are all wrong.
> I have the honor to be, with the highest respect, Sir,
> Your most obedient servant,
> TOM JONES.
> (His Britannic Majesty's Envoy Extraordinary and Minister Plenipotentiary to the Court of his Serene Majesty of the United Federation of Ruritanian States).

Cargill in The American Banker
Yea, verily, spring fever is a baffling disease.

Other People's Views

This Is Advertising

Marketing: The woman dramatically points an irate finger in her husband's face. He cringingly refuses to meet her gaze. "You've ruined the evening," she screams. "Good heavens!" you gasp. "What has the scoundrel done?" Don't worry. It isn't a melodrama. It's just an advertisement for Listerine. The poor bird has dandruff.

Ex-Premier Drury Turns to Letters

London Free Press: Ex-Premier E. C. Drury, of Ontario, has entered the writing class. Spurred on by the success of Cabinet ministers and ex-Cabinet ministers in England, he has evidently decided there is no reason why he cannot become an author as well.

Mr. Drury first tried his hand at writing in a series of articles for The Financial Post on the Wheat Pool in Western Canada. They were well written and readable.

We do not support Mr. Drury politically. The less said about his adventure into politics the better. It is a period of Ontario history we are trying to forget, but we heartily welcome Mr. Drury into the field of letters.

Human Taste and Economics

Northwestern Miller: A random newspaper paragraph comments on a government report showing that eighty-five per cent. of the food we eat is made up of cereals, meats, dairy products and sugar. Everything else, including poultry and eggs, fish, oils, potatoes, vegetables, fruits and nuts, make up the other fifteen per cent.

It is doubtful if the table of any reader of this paragraph would test "normal" on the basis of these figures. Certainly, the intake of any individual in what may be called the middle or upper stratum of life, measured by the burden of his table, would show a larger proportion of the articles enumerated as composing the minor part of the national diet. Potatoes, for instance, and eggs and fruit must certainly make up a total of more than one seventh of the demands of our appetites and tastes.

The one staple food the use of which has increased greatly and goes on increasing is sugar. While the consumption of meat has decreased slightly, and wheat flour and corn meal heavily, sugar has gained enormously. In 1915 it averaged but seventy-one pounds per capita, but in the five-year period 1923-27 it amounted to nearly one hundred and twelve pounds, an increase of forty-two per cent., and the increase apparently continues. Sugar, as elsewhere commented on, comprises a great part of the cost of our imported food. Meanwhile, the declining consumption of bread has helped to create the farm problem—an instance of change in national taste making trouble for economics and politics.

Bishop Lloyd's "Mongrel Canada"

Observer in Toronto Star: To set "British" against "mongrel" as though the one term were the antithesis of the other is preposterous. The British people is one of the most mixed people on the face of the earth. The English, to deal with them first, are a mixture of Norman, French, Saxon, Danish, Welsh, Cornish, with a probable mixture of Roman and a more certain element of earlier and prehistoric stocks. Scotland is almost equally mixed—Normans, Danes, Saxons, Scots and Picts. The mingling of these two mixtures constitutes the British people. Certainly the "mongrel" is a stone of contempt which no Britisher has the right to throw.

Everyone who knows Scandinavians—Norwegians, Swedes, Danes—knows that no better stock comes to this country. The Dutch are just like ourselves—cousins to the old Anglo-Saxons—possibly with an even higher reputation for honesty than we have ourselves. The German is unsurpassed as an intelligent, industrious, thrifty and tidy farmer, and these Germans certainly must be broadminded. No one in the west who knows Belgian or Hungarian settlements run them down. We ought to hail the Czecho-Slovakians, a people with a great history, intelligent, and artistic and freedom-loving. Ruthenians and Poles have done most of the hard construction work of the west. They are a patient, industrious, ambitious people, eager to get on to the land, eager to get the best machinery, amazingly rapid in their economic improvement, and with a wealth of poetic and artistic inheritance we are only beginning to appreciate.

In the name of truth and fairplay and common decency let us stop this insensate reviling of peoples who in fifty years or less will be among the leading people of Western Canada, and if treated with common fairness and friendliness will be surpassed by none in their devotion to the land of their adoption.

Patronize the Tax-Payer

Dual Service Bulletin (Employees' magazine of Montreal Light, Heat and Power Cons.): Returning to the Parliamentary session we find further interesting material in a short series of questions propounded by Mr. Heaps (Winnipeg North) to which Mr. King (Kootenay East) replied on behalf of Hon. J. C. Elliott, Minister of Public Works. We quote from the "House of Commons Debates" dated April 12th.:

MR. HEAPS:

1. From whom does the Government purchase its light and power?
2. Does it purchase some from the Ottawa Electric Company?
3. If so, why does it not purchase all its light and power from the public owned hyrdo-electric system of the City of Ottawa and the Province of Ontario?

MR. KING:

1. The Ottawa Electric Company and the Ottawa Hydro-Electric Commission.
2. Answered by No. 1.

"3. No advantage in doing so. Besides Ottawa Electric Company was original company connected to government buildings and pays taxes to the city.

We must compliment the honorable member for Kootenay upon the acumen which governed his clear, concise reply, inspired in consultation with the erudite Minister. The crux of the matter, as we see it, lies in the last paragraph. There is, you will note, no advantage in the Government purchasing light and power from the publicly owned commission—and in addition, the Ottawa Electric Company, a privately owned concern, pays taxes to the City of Ottawa.

This gives one furiously to think, for discrimination—an odious thing at all times—seems particularly offensive in this case and one is left to wonder how the misguided champions of public ownership attempt to explain it away. Incidentally, as the Government patronizes the privately operated Ottawa Electric Company because it pays taxes on its income, one assumes the Government is aware of the fallacy of tax-free industry, and marvels at the apparent apathy displayed when the important matter of tax equalization is brought before it.

If it is good business for the Government to deal with a company which conducts its business without thought of Governmental favor and pays taxes into the bargain, then is it not reasonable and just to expect this company to be allowed to operate on equal terms with any other in the same field—and not be compelled to meet tax-free competition? So we think!

New Books

Family Allowances

Whether or not mere size is an asset to the family itself, it must be admitted that large families are an asset to the nation. Are they a sufficient asset to justify the payment of bonuses or allowances to the parents of a large number of children? A French Canadian Roman Catholic clergyman, Rev. Leon Lebel, of Montreal, has prepared a pamphlet setting forth a scheme of family allowance for Canada. The book apparently has the ecclesiastical imprimatur and it is not the first one produced on the subject by this author, who is most zealous in pleading the case of the parents of a large number of children for state aid.

Father Lebel's plan would call for the raising of an annual fund by levies on the federal government, the provincial governments, employers of labor (who would pay about half the total charges, bachelors, married men without children and municipalities. From the fund the provinces and municipalities would pay allowances for each child.

It is excellent theory. So are mothers' allowances. So are old age pensions. So is national sickness insurance. So is unemployment insurance. So are a dozen other sociological developments of the present day. Against them there is only one argument; that a young nation cannot stand them all. There is a limit to the taxing power of the nation. We, in Canada, have just about reached that limit now.

This booklet can be obtained from the author: Father Léon Lebel, S. J., 1043 Rachel East St., Montreal. The price is 25 cents per copy.

"Stop Me If You've Heard This One"

The New Orleans man eased himself into the chair and called for a shave. The little barber was of a swarthy complexion that indicated that he might be of Latin American blood. As he stropped his razor he opened the conversation with:

"What's your opinion of this Nicaraguan situation?"

"Same as yours."

"But how do you know what mine is?"

"Don't matter. You've got the razor."

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Background of Business

Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

First Third of Year Reveals Conditions Generally Sound
Work on Land Tends to Spur Productive Activities
Volume of Manufacturing Maintained in Major Industries
Opinions Differ on What Stock Market Portends
Expect Little Change in Business During Rest of Year

WITH a third of the year passed it is now possible to look back and say that business conditions in Canada have been better than anticipated. While there was a considerable amount of uncertainty at the beginning of 1928 following upon the minor setback last fall, conditions have righted themselves and results to date have been encouraging.

Forecasts are not always borne out and such judgments as may be formed upon present indications are not always accurate. Usually, but not always, the first third of a year, leaves a clear impression with the business community of prospects for the immediate future. It failed last year,when news from all productive industries was of a decidedly bullish nature.

Current Opinions Differ

It is not easy to say how trustworthy present expectations are likely to prove, because it is difficult to make out what the expectations are. Last year we expected a year of unparalleled development. While this was not fully borne out, nevertheless results were far above average. The feeling now seems to be that while the country will go ahead and continue to expand, there will be no remarkable surge of activity such as was experienced in 1926.

Yet, if we compare present conditions and the outlook as far as can be determined, with those of the corresponding periods of 1927 or 1926, there is just as much justification for optimism as there was then.

Major Industries Strong

One can take the major industries, virtually without exception, and find the volume of business setting new records all along the line. Agriculture, for instance, is in a prosperous condition. While it is true that livestock markets in the Old Country have been practically closed, demand from the United States has caused an appreciable advance in prices.

Moreover, farmers are in a better financial position now than at any time in the past ten years. Old debts have been cleared off and money is being spent liberally on buildings, equipment and other improvements.

Reports from both the west and the east during the past week tell of early work on the land; seeding well under way; increased acreages, and generally healthy conditions.

Manufacturers Active

This state of affairs is clearly reflected in industry. Iron and steel manufacturers report exceptional demand for their products. Structural steel is in heavy demand by builders. Farm implement and other machinery makers are operating full time and with sufficient orders on hand to keep their plants busy for some time to come.

Last month the newsprint industry set up a new production record for all time. A number of new newsprint machines are slated to be brought into production some time this year, but the feeling of the industry is that this additional output will be absorbed without unduly affecting the market.

At the same time the automobile industry is rapidly regaining lost headway. The fear of a price war is now considered a negligible factor and factories are stepping up production to meet domestic and foreign demands. As compared with the early part of last year, production is still at a very low level, but in the past three months, output has been distinctly upward.

These favorable factors have been instrumental in maintaining employment at a high level and causing the disbursement of large sums in wages and supplies. The maintenance of income among Canadian workers has also been the means of increasing the domestic consumption of goods to an extent not hitherto realized.

If there is any one unfavorable sign in the business outlook, it may be considered as the present bullish trend of the stock markets. Business men do not worry over money rates but they unquestionably do not like to see the banks extending credit too freely for speculative purposes.

The danger of this is readily appreciated by the bank authorities and lately further loans have been refused and in many instances have had to be cut down.

No Great Change

Assertions that a great and persistent rise in stocks is a sure forerunner of trade prosperity have to be contrasted with the equally prevalent idea that a runaway stock market is itself a menace to business stability. Both opinions will be encountered in conservative trade circles.

In time one or the other of these opinions will be confirmed. Shrewd observers, however, are of the belief that no radical change will take place in the business situation this year. There may be a rise in productive activities, and then again there may be a recession, but in either event, it is not expected that the change will be pronounced.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Latest This Year	Latest Last Year	Cumulative for Year This Year	Cumulative for Year Last Year
		Weekly		
Car Loadings (May 5)	64 278	61,659	1,123,881	1,087,429
Stock Index (Traders—May 10)	425.1	161.0	......	......
C.P.R. Gross Earnings (May 7)	$ 3,590,000	$ 3,574,000	$ 64,455,000	$ 60,316,000
C.N.R. Gross Earnings (May 7)	$ 4,575,451	$ 4,768,330	$ 84,004,873	$ 79,667,056
Production—		Monthly		
Pig Iron, tons (March)	78,390	75,637	208,087	178,049
Steel, tons (March)	118,258	107,351	301,373	221,552
Newsprint, cwt. (Mar.)	197,976	174,094	575,647	487,804
Automobiles (Mar.)	17,478	23,250	38,445	56,654
Boots and shoes, pr. (Mar.)	1,755,877	1,669,864	4,638,551	4,705,686
Flour, bbls. (Feb.)	1,464,426	1,231,000	3,043,210	2,727,000
Construction—				
Building Permits (March)	$ 14,916,247	$ 11,713,640	$ 32,952,256	$ 25,028,353
Contracts (Apr.)	56,345,800	38,582,300	125,647,100	92,336,700
Labor—				
Employment Index (Apr.)	101.1	96.2	......	......
Trade (March)—				
Imports	$ 120,454,685	$ 110,617,177	$ 285,967,999	$ 264,129,463
Exports	$ 106,974,564	$ 105,605,107	$ 278,104,239	$ 268,233,406
Imports of Key Products—(Mar.)				
Rubber, lbs.	6,695,967	8,423,000	17,544,116	18,628,000
Cotton, lbs.	12,238,517	13,040,000	43,727,069	34,318,207
Sugar, cwt.	1,042,726	1,051,282	2,062,207	2,317,725
Petroleum, gal.	82,871,019	67,497,911	189,181,933	119,719,911
Coal tons	1,349,200	1,754,683	3,807,994	5,023,916
Exports of Key Products—(Mar)				
Newsprint, cwt.	4,323,292	3,690,043	11,140,816	10,432,329
Automobiles, No.	2,686	6,512	8,816	15,405
Wheat, bush	18,655,258	16,394,879	52,227,582	40,387,618
Wheat flour, bbls.	1,141,896	1,028,813	2,675,630	2,551,293
Electric Power—Output—				
M. Kilowatt hours (Feb.)	1,273,892	1,065,850	2,591,774	2,197,062
Population—				
Emigration (Mar.)	4,721	4,981	14,478	14,945
Immigration (Jan.)	3,962	4,164	3,962	4,164
Finance—				
Failures, No. (Mar.)	164	163	549	497
Failures, Liabilities (Mar.)	$ 2,193,258	$ 1,993,679	$ 7,382,987	$ 6,706,623
Bank Debits, (Mar.)	$3,215,407,776	$2,600,376,571	$9,716,504,228	$7,512,275,144
Bond Sales (Apr.)	44,245,492	$ 70,589,321	$ 115,165,295	$ 167,920,320
Insurance Sales (March)	$ 44,823,000	$ 42,883,000	$ 132,055,000	$ 115,394,000
Wholesale Prices (1913-100)—				
General Index (Apr.)	153.2	148.9	......	......
Iron	141.7	143.7	......	......
Cotton, raw	166.8	117.0	......	......
Grains	179.6	161.6	......	......
Cattle	148.3	122.4	......	......
Rubber	36.9	65.2	......	......

Manufactures Continue More Active Than '27

March Survey Shows Major Industries Experiencing Good Volume of Business—Lumbering and Few Other Branches, However, Fail to Record Improvement

For the sixth successive month, the volume of manufactures in Canada registered a gain, the index for March last being 167.6, as compared with 158.4 in the preceding month. This confirms the opinion held that business generally is making steady progress throughout the country, and while there is no evidence of boom conditions, results compare favorably with any other period in the past five or six years.

This improvement was largely the result of the better showing of the iron and steel groups. The production of steel during March was greater than during any other month in the post-war period. At the same time pig iron production advanced to 78,390 tons, which is the second highest monthly total in the past three years.

While this branch of manufactures failed to make any substantial improvement last year, results this year have been above average. This has been partly due to the greater activity in the building trades, where the demand for structural steel has been almost unprecedented. Again the production of automobiles has taken on new life, the index on this branch of manufactures moving up from 143.5 in February to 174.5 in March.

Newsprint Sets Record

The index of newsprint production registered a gain during March, advancing from 221.0 to 230.2. March production was the largest on record, resulting from a better demand from the United States. Activity in this industry has been most pronounced during the past six months and though a number of new machines are being brought into production, export demands appear to be sufficiently large to take up all surplus production.

Some recession is shown by the other branches of manufactures, which go to make up the general index on volume. Sugar manufactures dropped off sharply in March. This was due to the trouble experienced in securing new supplies. Cuban authorities are endeavoring to maintain an artificial price for the cane and the majority of refiners are holding off making any large commitments for supplies.

Flour Output Good

Flour production has been on a more favorable basis lately. While March figures are not available, those for February show an improvement over the preceding month. Aggregate production during January and February this year is well ahead of the corresponding period in either 1926 or 1927. The outlook for a strong demand from foreign buyers is favorable, and it is possible that the industry will show a larger production this year than in 1927.

The imports of raw cotton were moderately greater than in the preceding month. The index on manufactures, however, declined from 121.5 in February to 116.5. The industry, as a whole, is experiencing a good demand for its products and operations have proved profitable.

Among the minor factors taken into consideration, lumber exports appear unfavorably.

Saskatch'n Wheat Seeding Now About 80% Completed

With favorable weather prevailing, wheat seeding has gone ahead rapidly during the past two weeks, according to telegraphic reports received by the Saskatchewan Department of Agriculture. In many parts of the province wheat seeding is nearly completed, and taking the province as a whole, about 80 per cent. of the wheat is seeded. A start has been made with the seeding of coarse grains with around 12 per cent. completed.

The weather although very favorable for seeding has been windy causing the soil to drift in spots, but damage from this source has not been serious nor wide-spread. The soil generally is in good condition. The early sown wheat is showing green in many places. Although in some districts no change is anticipated, on the whole it is expected that the acreage of wheat will show an increase over last year. Pastures are showing green and will shortly provide better feed for live stock.

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A LEGAL INVESTMENT FOR LIFE INSURANCE COMPANIES

NEW ISSUE

$800,000

Ontario Building, Limited
St. Lawrence Boulevard, Ontario and Clarke Streets, Montreal

6½% First Closed Mortgage Sinking Fund Gold Bonds
DENOMINATIONS: $1,000, $500 and $100.

To be dated March 1, 1928. — *To mature March 1, 1943.*

Interest coupons payable March 1 and September 1. Principal and interest payable in gold at any branch in Ontario and Quebec of the Bank of Montreal. Registerable as to principal only. A cumulative monthly sinking fund, beginning September 1, 1930, will retire $496,000 of the bonds by maturity. Redeemable in whole or in part on 60 days' notice at 105 and accrued interest to March 1, 1933; thereafter to March 1, 1939, at a price decreasing one-half of one per cent. per annum; and thereafter to maturity at 102 and accrued interest.

Trustee: National Trust Company, Limited, Montreal.

The Ontario Building is a modern, fireproof, 10-storey, office and loft building being erected on the southwest corner of St. Lawrence Boulevard and Ontario Street, Montreal. This location is two blocks north of St. Catherine Street, the main retail business street of the city, and is in the centre of the clothing trades district. The building, which has streets on three sides, is exceptionally well lighted and is designed to accommodate the clothing industries. These industries are now, for the most part, inadequately housed in premises in which insurance is unobtainable, and there should, therefore, be a keen demand for the modern fireproof quarters available in the Ontario Building.

Appraised Value of Property on Completion of Building $1,360,000
Amount of this Issue of Bonds 800,000

This issue of bonds is 58.8 per cent. of the appraised value of the property. Net revenue is estimated at over twice bond interest. The sinking fund will retire 62 per cent. of the bonds by maturity.

SECURITY: These bonds are secured by a first closed mortgage on 16,242 sq. ft. of land fronting on St. Lawrence Boulevard, Ontario and Clarke Streets, Montreal, owned in fee simple, and on the modern 10-storey and basement building to be erected thereon.

LOCATION: The site is on a busy corner two blocks north of St. Catherine Street, the main retail business street of the city. St. Lawrence Boulevard, on which the building has its greatest frontage, is the only important street in the city that runs directly across the island of Montreal from the St. Lawrence River to the Back River, and is, therefore, one of the city's main arteries of traffic.

EARNINGS: Gross annual revenue is estimated by The Cradock Simpson Co., Limited, at $156,000. Allowing 10 per cent. for vacancies and $33,000 a year for management and maintenance, including municipal taxes, there remains a net annual revenue of $107,400, equivalent to 2.06 times bond interest requirements.

VALUATION: The Cradock Simpson Co., Limited, has appraised the land at $355,000 and Carswell Construction Co., Limited, has valued the entire project at $1,360,000. The bond issue is 58.82 per cent. of this valuation.

INSURANCE: A surety bond in the amount of $300,000 will guarantee the construction of the building free of liens and in accordance with specifications. Fire insurance to the full insurable value of the property will be carried, as well as boiler insurance and insurance against claims under workmen's compensation acts and personal liability. Rentals will be protected by use and occupancy insurance.

SPECIAL SAFEGUARDS: The company binds itself not to declare any dividend on its common stock until three years after the completion of the building and then only after it has set aside out of surplus earnings a special reserve fund equal to the amount of dividends declared. This fund shall accumulate till it reaches the sum of $75,000, at which figure it shall be maintained as a safeguard for the continuous payment of bond interest.

MONTHLY PAYMENTS: An amount sufficient to cover bond interest, sinking fund, taxes and insurance is to be paid to the trustee in monthly instalments during the life of these bonds.

MANAGEMENT: Mr. Charles G. de Tonnancour, president of The Regent Knitting Mills Limited, is president of the borrowing corporation, whose management is under the direction of business men of substantial means owning a large interest in the company junior to these bonds and thoroughly experienced in real estate management.

LEGAL OPINION: McGibbon, Casgrain, Mitchell, Casgrain, McDougall & Stairs, for the underwriters, and Campbell, McMaster, Couture, Kerry & Bruneau, for the company.

We recommend these bonds for conservative investment.

PRICE: 100 and accrued interest, yielding 6½ per cent.

McLeod, Young, Weir & Co., Limited
Metropolitan Building, Toronto
Montreal — Ottawa — Hamilton — London — New York

The statements contained in this advertisement are based on information we believe to be reliable, and on which we acted in purchasing these bonds, although we do not guarantee their accuracy.

Pulp & Paper

NEW FINANCING BY INTERNATIONAL FORECASTS RIGHTS

Prediction Made That Big Paper Co. Will Make Issue

COMMON TO GAIN

From Our Own Correspondent

MONTREAL. — Stating that the International Paper Company has tentative plans for the construction of two new newsprint mills, one in New Brunswick and one in Ontario, the Wall Street Journal expresses the opinion that the company will shortly do some public financing. The opinion is that this financing will take the form of additional common stock to be offered to shareholders through the issue of valuable rights.

It is pointed out, that International Paper has done approximately $150,000,000 of new financing in the past two and a half years. Of this $27,500,000 has been realized through issuance of common stock. The rights that were issued were worth, in the first instance, $6 per share and in the second case about $10.

Heavy Write-offs

Another important aspect of International Paper position, is analyzed by an article in the same paper pointing out that drastic amounts have been written off in each year for depreciation and repair charges. It is estimated that for 10 years, depreciation and repair charges to profits averaged $6 per common share. The book value of the common stock is estimated at $75 a share at the present time. The statement is as follows:

"International Paper Co. has tentative plans for the construction of two new newsprint mills, one in New Brunswick and one in Ontario. The former probably would be operated by power from the St. John River Power Co., owned by a subsidiary. International Paper recently took title to 1,210 square miles of Crown timber limits in the Restigouche and neighboring water sheds, which may form a timber reserve for newsprint operations in New Brunswick.

"Possession of a mill in Ontario would put International Paper in a more favorable position to supply its customers in the mid-western territory. With this in mind it has acquired Nipigon Corp., owning 1,568 square miles of Crown timber limits, as a basis for an Ontario newsprint mill.

Needs More Money

"These two projects could not be carried out without additional financing. Whether or not they are started this year, it is not unlikely that International Paper will do some more public financing. At the end of 1927 net working capital was not large, and almost $6,000,000 bank loans were shown on the December 31, 1927, balance sheet. Since the first of the year $10,119,300 of additional 7 per cent. preferred was underwritten and offered to preferred stockholders; but this will be by no means adequate for the expansion needs of the company during current year.

"Although the policy of the management is such that many of the new properties acquired are free from mortgages and provide a large credit backing and though it might be illogical to expect further bond financing, it seems more probable that stock issues would be availed of. This may take the form of additional common to be offered to shareholders, and in furtherance of company's policy would involve the issuance of valuable rights.

Two Rights Offered

"It may be pointed out that of approximately $150,000,000 of financing done by International Paper Co. and subsidiaries in the two and one half years since October, 1925, only about $27,500,000 has been realized through issuance of common stock. This was effected through doubling of common to 500,000 shares of no par from 250,000 shares of $100 par, the sale of the 250,000 additional shares at $50 to stock holders, and later through sale of 500,000 shares to stockholders last year at $30. It is significant that average market price of rights in the first instance was about $6 and in the second case about $10. Any further issue of common undoubtedly will be priced to place a reasonable value on rights to subscribe.

Other Issues

"Balance of the financing was effected through sale of $25,000,000 6 per cent. debentures, subsequently called for retirement and converted into 7 per cent. preferred. Approximately $20,000,000 preferred was sold last year, and a little more than $10,000,000 this year, while Gatineau Power 5 per cent. first mortgage bonds and 6 per cent. debentures accounted for approximately $55,000,000. An issue of $12,500,000 Canadian Hydro-Electric Corp., Ltd., 6 per cent. preferred completed the offerings.

"In the matter of depreciation charges and repairs charged to earnings the company has been more than libeeral. In the past ten years a total of $62,188,802 has been taken out of earnings for this purpose, equivalent to a total of slightly more than $62 a share on the present outstanding 1,000,000 shares of no-par common stock, or an average of $6.20 a common share yearly.

Huge Charge-Offs

"Of the total charge-offs of $62,188,802, depreciation accounted for $29,565,890, and repairs $32,622,912. The ultra-conservatism of the management is evidenced and the extent of these charges is appreciated by the fact that the net tangible assets applicable to the common shares as of December 31, 1927, were only $75,078,103. As recently as the end of 1923 plants, properties and woodlands on the books totalled only a little more than $65,000,000.

"Table following shows depreciation charges and repairs charged to earnings of International Paper Co., for the past ten years:

	Depreciation	Repairs	Total
1927 ..	$4,552,734	$4,086,504	$8,639,238
1926 ..	3,756,278	3,700,302	7,456,580
1925 ..	3,404,519	3,096,055	6,500,574
1924 ..	3,176,208	2,543,689	5,719,897
1923 ..	3,144,738	3,821,746	6,966,484
1922 ..	2,715,726	2,947,961	5,663,687
1921 ..	2,379,967	2,309,786	4,689,753
1920 ..	2,267,714	4,101,748	6,369,462
1919 ..	2,238,433	2,980,653	5,219,086
1918 ..	1,929,573	3,034,468	4,964,041
Total ..	$29,565,890	$32,622,912	$62,188,802

"Charges for depreciation, it will be seen, have trended steadily upward, showing an increase in every year over the preceding year. Charges against earnings for repairs have fluctuated somewhat. Those in 1927, however, were higher than in any preceding year except 1920. These total charges against earnings have, on the whole, increased with the growth of International Paper's properties. The investment of reserves is, of course, a source of improvement in the company's income.

"A comparison of the balance sheet presented as of December 31, 1927, with that of December 31, 1923, some months before the present management took charge, shows net tangible assets applicable to common shares at the end of 1927 amounted to $75,078,103, compared with $37,044,313 in 1923. This was equivalent to slightly more than $75 a share on 1,000,000 no-par common shares (990,614 actually issued, and balance part-paid), against a little more than $185 a share on 199,320 shares of $100 par outstanding in 1923.

"Property and woodlands practically tripled in the four years, funded debt was almost 5½ times as large, preferred stocks outstanding and stocks of subsidiary companies were 3½ times the preferred stock outstanding in the earlier year, while net tangible assets available for common shares doubled in the period."

Alternative Offer to Howard Smith

From Our Own Correspondent

MONTREAL.—An alternative offer to the shareholders of Howard Smith Paper Mills Limited has been made by Holt, Gundy and Company. Instead of $150 per share in cash, holders of the common will be given the privilege of taking $100 in cash and two shares of no-par-value common in the new company.

The capitalization of the new company includes $7,000,000 of first mortgage bonds which are being offered this week by Wood, Gundy and Company; $4,500,000 of six per cent. cumulative preference shares and 200,000 shares of no-par-value common. The net value of the new common shares according to a statement of assets and liabilities as at March 31, 1928, is shown at a little less than $15 per share.

QUARTERLY PROFIT OF INTERNATIONAL BELOW DIVIDEND

Big Paper and Power Company Looks for Lean Half-Year

From Our Own Correspondent

MONTREAL.—As has been anticipated, International Paper Company earnings for the quarter ending March 31, are less than the quarterly dividend of 60 cents per share on the 1,000,000 shares of no-par-value common stock outstanding. A similar situation is predicted for the second quarter.

The chief cause of this failure is the lower prices prevailing in the newsprint and paper field. Freight rate allowances for users of newsprint have brought prices somewhat below the $65 a ton level. Lower prices are also recorded in other grades of paper, notably in kraft.

Looking at the company over a long period, it is apparent that these months are probably the low ebb of the company's development plan. Tremendous capital sums have been expended on both pulp and hydro-electric properties, but many of these are not yet in a position to add to the company's earnings, while others have not yet reached production stages.

The Newfoundland mill has not yet been operating at a profit. Deliveries of power by the Gatineau Power Company to the Hydro Electric Commission, its big user, will not commence until October 1. The Saint John River Power Company, another subsidiary, does not begin its power delivery to New Brunswick until October 1.

Then there are the heavy investments the company has made in timber limits, water powers and other properties which have been purchased as a basis for future dedevelopment. Till these are properly developed, carrying charges are proving a considerable burden on the company's current income.

The fact that the company's net working capital climbed at the end of 1927 by $3,000,000, together with the present bank loans to the extent of $5,935,000 makes it probable that the company will do some public financing even on its own account or through one of its subsidiaries. This will probably be done by the issuance of stock rights, as referred to elsewhere in The Financial Post.

ST. LAWRENCE'S NEW SECURITIES QUICKLY TAKEN

Complicated Offering Was Designed in Everybody's Best Interests

From Our Own Correspondent

MONTREAL. — Following the common stock issue of St. Lawrence Paper Mills a week ago, novel and complicated offering of units of preferred, common and common stock purchase warrants was immediately oversubscribed following the public announcement of the issue.

The units consist of one 50 per cent paid up share of preferred, one fully paid up common share and one subscription warrant entitling the holder to buy a half share of common stock at the rate of $40 a share, on or before April 15, 1933. The holders of the units will not be given the opportunity of using the stock purchase warrants unless the company decides to continue its expansion and add a further two machines to the mill to which two new newsprint machines are now being added.

Financing is Complicated

The way in which the new financing of the company is being carried out at first appears to be complicated. But the method of distributing the shares has been designed, not with the idea of befogging investors, but to allow investors who are now making possible the present expansion of the undertaking to participate fully in the benefits from further plant enlargements which the management proposes ultimately to undertake.

The purchasers of the St. Lawrence Paper units obtain allotment certificates covering the preferred, the common and the subscription warrants. Each allotment certificate is being sold at $78. A further payment of $25 per unit must be made on October 15, 1928. Then there is a final payment of $25 per unit to be made between April 1, 1929, and the end of 1929. The final payment will be made only as, if and when the management decides to expand the plant's production still further.

The New Capitalization

By the middle of October next, the purchaser of one unit will have paid $103 for which he will own one 75 per cent. paid up share of 6 per cent., cumulative preferred, one fully paid common share and the half share subscription warrant.

In the event of conditions not warranting a further expansion of the property by 1930, the final $25 call per unit will not be made. At that time the actual shares will be distributed to the shareholders in place of their allotment certificates. But partly paid up preferred will not be distributed. Holders of, say four 75 per cent. paid up preferred shares would receive instead three fully paid preferred.

The capitalization of the company is as follows:

	Authorized	Outstanding
6% Cum. pfd. ..... ($100 par)	$19,000,000	$9,500,000*
Common Stock .. (no par)	1,000,000 shs.†	500,000 shs.

*$9,500,000 to be fully paid and outstanding immediately; after October 15, 1928, $14,250,000 will be fully paid and outstanding; and after the final call, if made, $19,000,000.

†Of the 500,000 shares of common stock authorized but unissued, 95,000 shares are reserved against the Allotment Certificate subscription warrants and 105,000 shares are reserved against other subscription warrants identical in form.

The company benefits for fixed charges and dividend requirements have been reduced. The old shareholders obtained a good price for their stock coupled with the right to participate in the larger enterprise. The new shareholders, through the subscription warrants, will be in a position to obtain their proportion from a still further expansion of the property.

Unique in the Industry

As The Financial Post exclusively informed its readers several weeks ago, St. Lawrence is the only news mill running at capacity in Canada. The contracts which the company holds are such as to permit the installation of two new newsprint machines. Four machines, producing 300 tons daily are in operation at the plant. The two new machines will increase the capacity of the mill by 50 per cent.

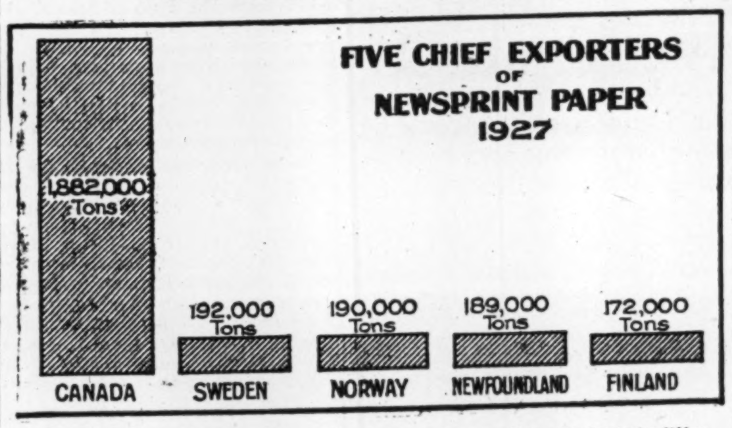
Before 1930, it is anticipated that sales will be at a level to justify still further expansion. The present financing provides for this in the final call on the stock units. Ultimately, therefore, another two machines would bring the capacity of the mill from 300 tons at the present time to 600 tons daily.

Listing Arrangements Made

It is understood that arrangements leading up to the listing of the securities are now well under way, and that every effort will be made to expedite the procedure. It is stated in conection with the common stock that it is the plan to provide trading facilities on both the Montreal Stock Exchange and the Toronto Stock Exchange. A certain number of formalities in connection with listings have to be gone through, but so far as can be learned the company will have no difficulty in complying with these. While no definite date can yet be mentioned, it is presumed that the no-par common shares at least will be called on both markets with a minimum of delay.

Following public offering last week of the no-par value common stock and the allotment certificates of the new company, subscription books in each case being closed in very short order, the securities advanced to a premium basis in the unofficial over the counter dealings, which premiums continue to prevail.

World Trade in Newsprint Paper



According to the best data available the total export of newsprint paper from the different producing countries in 1927 was slightly more than 3,000,000 tons. Canada's export shipments accounted for over 60 per cent of this total and the balance was contributed by some fifteen countries.

CANADIAN OUTPUT NEWSPRINT PAPER CHECKED IN APRIL

Mills Operate at Higher Capacity Ratio Than in March

From Our Own Correspondent

MONTREAL.—A falling off in the total Canadian newsprint production for the month of April and an increase in the capacity at which the mills are operated are the features of the last bulletin of the Newsprint Service Bureau covering the production of newsprint on this continent.

During April, the Canadian mills produced 192,645 tons of newsprint as against 197,976 tons during March. In the same period the mills in Canada operated at 84.3 per cent. of their total capacity as against 80.3 per cent. for March. The American newsprint mills were also busier, their ratio of production being 83.8 per cent. for April as against 79.7 per cent. for the previous month.

Stocks Much Higher

The stocks on hand in Canadian mills are still considerably higher than a year ago. The figure for the four months ending April 30th show 46,641 tons on hand as against 26,000 tons on hand at the end of the four months period in 1927.

The United States output during April showed a further decline over the March figure. The United States mills record a similar situation to that which is evidently the case in the Canadian plants.

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Paper, Pulp and Fibre Mills — 305 Broadway New York — Water Power Development

P. Lyall & Sons Construction Company, Limited
Toronto - Montreal - Ottawa

The Canada Power & Paper Corporation
Total Daily Capacity of Plants: 1250 Tons of Newsprint.
Also producing fine and kraft papers, paperboard, paper boxes, paper bags, paper specialties, and sulphite, kraft and groundwood pulps.
Successor and Operating Company of:
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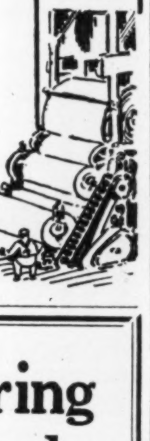
Laurentide Company
St. Maurice Paper Company
Canada Paper Company



Head Office: MONTREAL-QUEBEC

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Jute and Cotton Bags — Tents
Hessians, Buckrams — Flags
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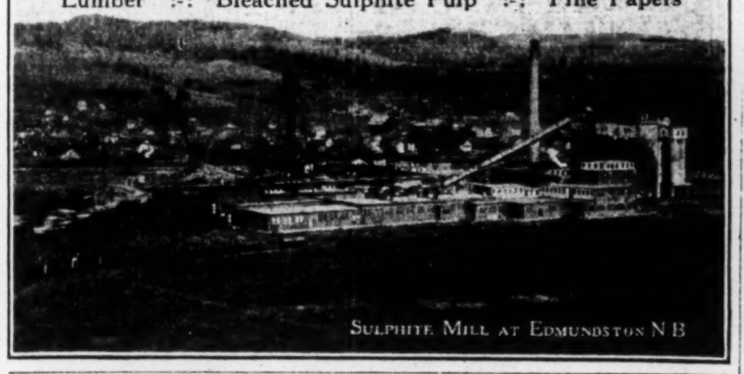

Sulphite Mill at Edmundston N.B

Wabasso Cottons are Canada's best
WABASSO COTTONS include Sheets, Sheetings, Pillow Cases, Circular Cottons, Madapolams, Cambrics, Nainsooks, Longcloths, Lawns, Voiles, Twills; also a complete colour range in Mulls, Voiles, Check Nainsooks, Lingerie Cloths and Broadcloths in the newest shades.
The new Wabasso Silks are attractive fabrics made from finest Combed Yarns and Celanese. They are as pretty as the Rainbow.
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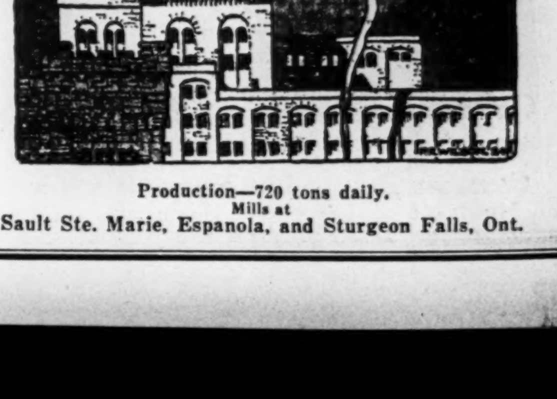
NEWSPRINT
IROQUOIS FALLS, ONT.

The Spanish River Pulp and Paper Mills Ltd.
SAULT STE. MARIE, CANADA
Manufacturers of News Print Paper



Production—720 tons daily.
Mills at
Sault Ste. Marie, Espanola, and Sturgeon Falls, Ont.

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

Hiram Walker

Please give me your opinion of Hiram Walker.

We are of the opinion that Hiram Walker-Gooderham & Worts, Ltd. stock is in a gradually improving technical position. The earnings of the company are highly satisfactory and we think that the patient investor will be rewarded.

Montreal Power

I hold bonds and mining stocks. Should I buy other stocks?

We think that you should investigate the merits of standard common stocks in view of the fact that your stock investments so far are entirely confined to mines. By standard stocks we mean such as Montreal Power, Shawinigan Water and Power, City Dairy, Consumers Gas, Bell Telephone and Canadian Pacific Railways.

Sunnyside Pier

Be kind enough to favor me with your opinion of Sunnyside Beach Pier Stock.

As you possibly know, amusement piers in England are highly successful and there are many amusement resorts on this continent which are paying propositions.

The promotors of the Sunnyside Beach Pier are of the opinion that such a proposition in Toronto will be highly successful. But as their judgment cannot be considered infallible, the investment, until the pier has a proven record of earnings, must be considered speculative.

L. R. Steel, Inc.

Will you kindly send me any information you may have concerning the old L. R. Steel Co., Inc., (State of Deleware)? Are the original shares purchased in 1921, 12 preferred $100 par value, and 6 common no par value, of any value?

L. R. Steel Company, Inc., Delaware, was liquidated some years ago, and the successor company is known as Steel's Consolidated. Shareholders in the original company were invited to subscribe additional capital which went into a protective trust. Subscribers to the protective trust are the shareholders in the new company and there is no equity remaining for the original shareholders except certain shareholders in the L. R. Steel Realty Corporation.

Brazilian Traction

What do you think of the following: Brazilian new, Building Products, Dominion Bridge, City Dairy, Laura Secord, Canada Dry Ginger Ale, Fanny Farmer, Consumers Gas, and Montreal Tramways. These are for a young man, still in his thirties, who has sufficient income for requirements, and is more interested in common stocks that will show an appreciation over time than in immediate returns?

For a young man whose daily occupation brings him in sufficient for his living expenses, we believe he is well advised to confine his investments largely to sound common stocks.

The new Brazilian is one of the most attractive of the utility companies, although the company does not derive its revenue from operations in Canada.

Building Products common is an interesting speculation for a business man. In a similar class is Dominion Bridge, which may be a most profitable stock, if as can be expected, there continues to be a great deal of structural steel work in the Dominion which will come to this company.

City Dairy always has been a good investment in the last decade and we see no reason why there should not be continued appreciation.

Laura Secord, Fanny Farmer and Canada Dry Ginger Ale are good speculative common stocks.

Consumers Gas and Montreal Tramways are standard common stocks which deserve prominent places on any sound list.

Brantford Cordage

Please give me your opinion of Brantford Cordage.

We understand that the prices of binder twine for the current year are somewhat lower than prices which were obtained last year, and in the circumstances it does not appear that the company will be able materially to improve its condition. We understand that efforts to reduce operation costs have been successful in some degree, but it may be doubted if these economies are sufficient to offset reduction in prices of the commodities manufactured.

British American Oil

On or about February 1st I bought 20 shares of British American Oil. Recently I received 2 share warrants, each of which had evidently had a talon of 20 coupons attached. Coupons No. 1 to 5 had been detached from each warrant before awarding to me. Will you please tell me when and where the dividend represented by coupon No. 5 was payable?

Purchasers of British American Oil stock on the first of February should have received dividend No. 5. Dividend No. 5 was payable April 2nd and the coupon should have remained attached to the warrant up to that time. We would suggest that you get in touch with your broker and collect the dividend from him.

Mackay Companies

What will happen Mackay shareholders who do not turn in their stock?

We believe that shareholders in the Mackay Companies advisedly would exchange their stock for the new stock offered by the International Cables Company and International Telephone and Telegraph Corporation.

We are informed that there is no compulsion on the shareholders of Mackay Companies to make the exchange proposed. However, it is apparent that the great bulk of the stock will be exchanged and that the old stock will be withdrawn from listing on the various stock exchanges. In the circumstances, holders of the old stock evenutally might find it difficult to market it at as good a price as is obtainable now.

Stewart Land Co.

We should be pleased to have your detailed opinion on Stewart Land Co. shares of Victoria, B.C. Last week you mentioned they were bid around $10 with no stock offered for sale; perhaps in the meantime you may have received additional information.

At $10 a share the Stewart Land Company of British Columbia is valued at $200,000. The company sold half of its original holdings prior to 1912 and paid in dividends to shareholders $65,000. The remaining half of the holdings are the assets of the company and consist of about 850 lots, well situated in and around the Town of Stewart, B.C., and about 100 acres of additional land adjoining the townsite which could be sub-divided if required. The Portland Canal, at the head of which Stewart is situated, is open all the year and navigable for the largest ship. A railway charter granted many years ago to Sir Donald Mann has been purchased by an English syndicate and the railway is at present being reconditioned. Mining activity on a large scale is scheduled for this year and there is every possibility of considerable appreciation in land values at Stewart, according to information we have received from Victoria, B.C.

Purchase of this stock by a resident of Toronto would be long distance real estate speculation, which, naturally, would result well if the territory is going to boom.

Canadian Brewing

I would appreciate your opinion as to three good common stocks that will likely show appreciation during the next six months. I am now holding some Canadian Brewing and Building Products on margin. Do you recommend continuing to hold them?

Canadian Brewing and Building Products should prove satisfactory investments over a term of years, although we do not know of any circumstances which should cause an appreciation in the immediate future. Building Products, for instance, has risen rather rapidly since its offering to the public.

Page-Hersey Tubes and Cosmos Imperial are three semi-speculative common stocks which may be worth your consideration.

Low-Priced Common Stocks

I would very much appreciate a list of six or seven common stocks selling below $70, which are reasonably safe and show a chance of appreciation over a hold of a year or two. Would you regard the present time opportune to buy or would you consider it advisable to wait for a break in the market?

Six low-priced common stocks which, in our opinion, are attractive speculative possibilities for the next year or two, are:

International Power.
Fanny Farmer Candy Shops, Inc.
British American Oil.
International Petroleum.
J. S. Mitchell & Company.
Convertible preferred of Canadian Canners, Ltd.

If you purchase outright or with a good margin you need not worry much about the market.

Brading Breweries

I am putting aside $25 per week, and have saved $400. Will you kindly advise me what would be good stocks or bonds to purchase? I have been told that Bradings Brewery and Toronto Brewing and Malting would be good buys at present prices, and have been advised to purchase Lake Shore Mines stock.

Brading Brewery, Toronto Brewing and Malting and Lake Shore Mines, are speculative stocks and possibly are not suitable for the savings of any person who wishes to be conservative in his investment ventures.

Some of the industrial stocks selling at prices higher than the prices of the stocks you mention might be more satisfactory and, in our opinion, are attendant with less risk. Among these we might mention City Dairy and J. S. Mitchell and Company.

Royal Bank

What is your opinion of Royal Bank stock as an investment?

From small beginnings the Royal Bank of Canada has steadily forged ahead until now it occupies the predominant position in the financial picture of Canada. The bank operates under an extremely able and aggressive management and the outlook for its future is excellent in our opinion.

The bank was established in 1869 and in the last 25 years has absorbed a number of smaller institutions. The bank now operates 900 branches, of which 780 are in Canada, 5 in Newfoundland and 111 or more in other parts of the world. Through a subsidiary company the bank carries on an extensive business in France. Total resources of the bank at the end of 1927 were $894,000,000.

The stock recently has been selling at $410 per share of $100 par value. The dividend rate is 14 per cent., so that the yield on the investment at current prices is less than 3½ per cent.

In the event of failure of a Canadian bank the shareholders are liable for $100 per share in order to meet the claims of depositors. This fact should be noted, although in the case of the Royal Bank it is of little importance to any investor. At present prices, it is only a remote liability of 25 per cent. of the cost of the shares. With Canada never so prosperous and with the Royal Bank of Canada ranking among the first dozen banks in the English-speaking world, the investment is highly attractive to any person who can afford to forego something in yield in the immediate future.

With $50 to Invest

Am a young man of 20 years and would like to experiment with $50 or $100 in some stock—a change from my safer holdings in a few good bonds and debentures. Or would that be too small a sum?

I have played on the mining market and made extremely large profits but I have never tried stocks of the industrial class.

A little over a year ago I very nearly purchased 15 shares of a brewing issue at 12½. Now, I feel I would like to try a few shares at around 10 in the hope that a dividend might be declared, and as a consequence the shares appreciate.

Could I obtain so small a number of shares as, say, five? Do you think a dividend will be declared soon? Is the company strong and increasing its business and profits?

What other companies could one put small sums into with good speculative chances? What are the chances of Lake Ontario Brewing?

Fifty dollars or $100 is an extremely small sum with which to go into the stock market, but if you are willing to be conservative in your operations and always remember to keep a substantial margin on your commitments, there probably is no reason why you should not profit by such activity in view of the fact that the country probably will continue to be prosperous and progressive in the next several years.

The smaller brewing companies, in our opinion, are somewhat more speculative than you should wish to purchase.

You might consider buying a few shares of the second preferred stock of Canadian Canners Limited. You can finance five or ten shares on $50 or $100, and we think that if you are reasonably patient you, in time, will find yourself with a substantial profit.

British-American Brewing

Should I buy British-American Brewing, Windsor?

The British-American Brewing Company, Windsor, is one of the smaller companies doing an excellent business in the locality in which the company operates.

The brewing industry possibly is overcrowded in Ontario, but the companies along the international boundary possibly have profitable outlets which do not contravene Canadian laws. It is a speculation, we think.

Durant of Canada

Please give me your opinion of Durant Motors of Canada.

Durant Motors of Canada has risen rather rapidly since listing on the Toronto Stock Exchange. The company, we understand, is making excellent progress—the new models having been well received by dealers and the public.

The company is in excellent liquid position, and the stock is attractive. The most speculative element in connection with it, is the fact that the affiliated companies in the United States are not doing so well.

Lake Superior Common

Please give me your opinion regarding the common shares of Lake Superior Corporation as an investment.

The common shares of Lake Superior Corporation at this time appear to be only a gamble. It is doubtful if there will be any appreciation in the market value of these shares for some time or until the reorganization is perfected and the company gets on a sound financial and operating basis.

There is very little buying of the common stock of the Lake Superior Corporation at this time for the reason that the new Canadian interests controlling the company have all the stock that they require and there is not likely for some little time to be any active bidding for the balance of the outstanding stock.

Lombard Bond and Share

Do you consider the Lombard Bond & Share Corporation, Ltd., Winnipeg, Manitoba, a safe place to deposit savings? They pay 5 per cent.

The Lombard Bond & Share Corporation, Limited, should be a successful investment trust in so far as it is operated along sound lines established by investment trusts in Great Britain. You are not getting a very high yield on your investment at the present time but if the trust is moderately successful there should be some appreciation in the long-hold common shares which you acquire when you pay $60 for a unit of one preference share plus one class A common share.

It is a new organization and as such must be considered somewhat speculative. The directors have yet to prove their ability to select suitable investments. However, the board appears to be composed of men of integrity and it is reasonable to expect that the institution will meet with fair success.

B.C. Packers

We have been advised by a broker to buy shares of B. C. Fish, Distilleries Corp., Seagram, Ltd., and Cosgraves, on the understanding that within a month he expects these shares to be worth from $10 to $20 more.

As we doubt this statement we would ask you to give us your views on the matter.

British Columbia Packers, Limited, which is a merger of B.C. Fishing and Packing and Gosse Packing Company, is an interesting speculation at this stage in view of the fact that there is a new financial control which has given the company adequate working capital. There has been great overlapping of operations in the industry on the Pacific Coast and the new arrangement probably will tend to improve the situation greatly.

Distillers Corp.-Seagram Limited should be bought, if at all, for a long hold, in our opinion.

Cosgraves Export Brewing Co., Ltd., in our opinion, is a speculation. There appears to be little information concerning this company.

Canada Dry

What is your opinion on the following shares: Canada Dry, Canadian Breweries, International Paper 7 per cent. preferred, Brazilian Traction and Quebec Power?

Canada Dry Ginger Ale, Inc., in our opinion, is one of the most attractive of the speculative investments in the New York stock market. There is a considerable Canadian investment interest in this stock because of the fact that the predecessor company originated in Canada. Earnings for the current year probably will advance considerably if the summer is one of average temperature.

Canadian Brewing Corporation is reported to be enjoying an excellent business and the approach of the summer season probably is an added attraction to the stock. We consider this stock a speculation, however.

The 7 per cent. preferred stock of International Paper Company, Inc., is a business man's investment.

You will have a satisfactory experience, we believe, with the common stock of Brazilian Traction and

Duluth-Superior

I have 50 shares of Duluth Superior Traction bought at $27 and $25 a share—these shares are now quoted at $14.50. Would you advise holding on?

The drop in the value of the shares of the Duluth Superior Traction Company in the last two or three months is due to a drop in earnings in January and February of this year as compared to January and February of last year.

We have been told, many times, in the last year or two that the position of Duluth Superior should begin to improve. These expressions of faith in the enterprise have been justified in theory but the facts have been discouraging to all holders. These cities of Duluth and Superior probably will grow and in the long run it is likely that the street railway system will be permitted to earn a fair profit on the investment.

But whatever may be the situation for street railways serving large metropolitan areas the fact remains that the traction companies serving cities of moderate size are not in the best positions in view of the loss of business to the private automobile. The fact that the community served is not so large that street railways and buses are absolutely essential in these days leads to the conclusion that recovery of the railway to its old condition of prosperity is likely to be extremely slow and possibly will be retarded still further by political animosity in the community.

You might recover your losses more quickly by selling out and purchasing either a utility stock which has behind it large actual and potential assets of hydro-electric power or by purchasing a sound industrial stock.

Standard Reliance Assets

Let me know if the common shares of Standard Reliance Assets Limited is of any value.

Preferred shareholders in the Standard Reliance Assets so far have been paid 60 cents on the dollar and it is hoped ultimately that they will be paid in full with some interest. The common shareholders, in all probability, will get nothing. In the circumstances there certainly is no market for the common stock of Standard Reliance Assets Limited and it is doubtful if there is any real value to the stock.

Asbestos Corporation

Will you kindly give me a list of four or five common stocks selling under 60 which, in your opinion, should appreciate somewhat, for a three or four months hold.

I know it is pretty hard to pick stocks in this fashion, but I would like to have your opinion. What do you think of Asbestos and Industrial Alcohol?

Asbestos Corporation common probably is more speculative than Canadian Industrial Alcohol but there appear to be reasonable chances of appreciation in both stocks over a term of months.

Three other stocks in the low-priced class which are attractive speculative possibilities are International Power, Fanny Farmer and Cosmos Imperial Mills.

Transportation Bldg.

I have $8,000 in cash from C.N.R. debentures due now and I was thinking of investing same in preferred stock of the new Commerce and Transportation Building, 7 per cent. with bonus of common. Your advice will be appreciated.

It is doubtful if the new Commerce and Transportation Building preferred stock would suit your investment requirements. We would advise against purchase. It should be borne in mind that there is, or will be, some kind of lien standing ahead of this preferred stock, and that charges must be met on this loan before preferred dividends can be paid.

The preferred stocks of such companies as Hunts Limited, Winnipeg Electric and Massey-Harris all offer attractive yields, and these companies have behind them a background of successful operation and substantial earnings.

Another U. S. Mutual

Would you please give me your opinion of the insurance offered by the Minnesota Comercial Men's Association.

The Minnesota Commercial Men's Association is evidently one of the numerous mutual type insurance companies to be found in considerable numbers throughout the United States. The type of insurance they usually issue is an assessable policy; which means that every insured person may later be called upon to augment their initial premiums by such sums of money as are required to pay losses. According to the latest government handbooks to hand, this company apparently is not licensed to do business in Canada, and hence could not be proceded against in the Canadian courts for breach of contract or other cause.

As this class of insurance is no cheaper to write than standard line, the purchaser may be sure that he will get no more than he pays for; and because of the relatively small reserves—if any—maintained, the mutually-insured run the risk of having to pay sweetly for the privilege of initially small premiums.

Can. General Insurance

As a subscriber to The Financial Post will you kindly advise me in connection with the Canadian General Insurance Agencies, Ltd., who are issuing through A. B. Taylor & Co., Ltd., 205 Federal Buildings, Toronto, Ont., preferred and common stock in units of one share of 7 per cent. redeemable accumulative preferred stock of $100 and one share of common stock of no par value, price $125.

The Canadian General Insurance Agencies is particularly fortunate in being able to start operations with a well organized agency field force and a large volume of regular business already on its books. The Toronto district business of the Toronto Casualty Insurance Co. represents a considerable unit of insurance business, and the Ontario district agencies of the Canadian General and the Provident Assurance Companies will add considerably to the regular revenue of the company. In addition there will be other agencies in non-competing lines added from time to time. This means not only substantial income from overriding commissions, but even greater income from direct business written.

At the present time the Canadian General Insurance Agencies has a well organized field force of more than 400 agents; and under the management direction of R. J. Daw, former agency head for the Toronto Casuality Co., this force is daily being augmented.

In addition to the income from commissions on premiums and insurance the company may write itself, it will share in the profits of the Canadian General Insurance Company through its ownership of a large block of the latter company's shares.

Under private management and ownership, big city agencies have made a great deal of money for their owners; and under the seasoned management of R. J. Daw, who built up a strong organization for the Toronto Casualty, there is every hope of realizing profits sufficient to take care of preferred with some left for common

Big Profit on Bond

We have $1,000 Regina 1951 6½ per cent. cost 96.82, and the market is now 118, which shows 21.28 points gained. Would you sell and buy some other security?

On an approximate market valuation of 118, Regina 6½ per cent. bonds due 1951 represent a yield roughly of 5½ per cent.

When the matter of securities and marketability are taken into consideration this is an exceptionally good yield. Of course, we can appreciate your position, you now having a profit of some 22 points on your purchase. On the other hand, there is every likelihood of interest rates going to lower levels we think that there should be a further appreciation in value. Moreover, the maturity of these bonds is still a long way off and on that account they present attraction to investors who are looking for good yielding bonds which still have a number of years to run. Consequently, we think that there would be no advantage to you in selling your Regina bonds at the present time.

Realty Bonds

One of my clients has asked if I can obtain some information on her holdings and I would appreciate your advice.

Realty Bonds: $1,500 in Trinity Apartments, Montreal, 6½ per cent. bonds, due 1947. Paid par.

$1,000 in Bloor St. George Apts., Toronto, 7 per cent., due 1947. Paid par.

Do you consider this class of security a good investment for a woman? What are the prospects?

Common Stocks: $3,150 Canadian General Investment Trust shares (first trust). Paid $105.

20 shares Muirhead's Cafeterias, common. Paid $10 share.

Would you advise selling Muirhead now, or hold for a further appreciation?

Both of the real estate bonds mentioned are satisfactory as an investment. The Bloor St. George, as well as the Trinity Apartments, are both well rented and their securities are regarded among the better class of the real estate type.

The Canadian General Investment Trust shares are quite satisfactory as an investment. This organization follows the principles laid down by the British Investment Trust, that is diversification not only geographically but as regards industry and also limiting their investments in any one particular stock. The trust is ably managed and judging by the reports published by them for the period ending December 31st, last, is experiencing satisfactory results.

Muirhead's common represents an attractive speculation. The restaurants operated by this company are of a distinctive type, ably managed and apparently doing very well. We think that it would be worth while to hold on to these shares.

When Women Invest

Income of $1,800 is Required by One Holding Common Stocks Which Can be Sold at Profit; Some Preferred With Good Yield; Fair Security Obtained by Diversifying.

A WEEKLY FEATURE

The following is a list of my mother's holdings. Can you suggest changes suitable for her to bring the yield up to $1,800 per year?

$1,000 Pt. Aux Trembles 6's 1940.
$400 Steel Co. of Canada 6's 1940.
$300 Dominion of Canada 5's 1931.
100 shares Montreal Telegraph.
40 shares Brazilian common (old).
35 shares Steel Co. of Canada (common).
15 shares of Illinois Power and Light 7 per cent. preferred, (being called July 1st at 105).
4 shares Bank of Montreal.
4 shares Consumers' Gas of Toronto.
(Approximate value to-day, $29,000).

We would suggest that your mother dispose of her shares of Brazilian Traction and Steel Company of Canada. We believe that these common shares will continue to appreciate in value but in view of the fact that a higher yield is wanted, it may be advisable for her to take this money out of common stocks and put it into preferred. The proceeds of these sales, with $1,575 received when the Illinois Power and Light 7 per cent. preferred is called, should amount to $19,225.

We would suggest the purchase of the following preferred stocks:

Amount	Cost	Name	Rate	Yield	Income
25 shs.	$2,300	Can. Canners 1st pfd.	6%	6.5%	$150
25 shs.	2,500	Hunt's, Ltd. pfd.	7%	7 %	175
25 shs.	2,725	Winnipeg Elec. pfd.	7%	6.4%	175
25 shs.	2,625	Bldg. Products pfd.	7%	6.6%	175
25 shs.	2,725	Massey Harris pfd.	7%	6.4%	175
25 shs.	2,500	Porto Rico pfd.	7%	7 %	175
25 shs.	2,550	J. S. Mitchell	7%	6.8%	175
10 shs.	1,050	Ham. Dairies	7%	6.6%	70
	$18,875				$1,270

You will observe that the approximate cost of these stocks will be $18,975 and that yield therefrom will be $1,270. She is already receiving $515 annually from the bonds and Montreal Telegraph so that the annual income when these changes are made will be in the vicinity of $1,800. There will be about $200 left over, we estimate, after these transactions are made and this sum might be put into the 5 per cent. debentures of one or other of the sound trust companies.

As the 8 per cent. dividend on Montreal Telegraph is guaranteed by the Western Union, this is in the nature of a preferred. We believe it to be a sound investment.

There are not many high-grade preferred stocks selling that yield better than 6½ per cent. An average of better than 6 per cent. was necessary in order to bring the income up to the amount you deem desirable. However, we have selected the stocks with considerable care and there is a diversification of industry and management and we believe that there is an average high factor of safety.

CENTRAL ELECTRIC OUTPUT CONTINUES TO MARK UP GAINS

March Record Was Second Highest Monthly Total on Record

Output of central electric stations in Canada during March was the second highest monthly total ever recorded. Reports received by the Bureau of Statistics indicate a total production of 1,332,752 thousands of kilowatt hours, as compared with 1,274,120 in the previous month and 1,150,008 in the corresponding period last year.

There was little change in the output of power derived from fuel during the month, most of the gain being credited to hydro projects.

Output generated by water power showed an increase in each of the five economic areas. Quebec reported a production of 619,779; Ontario 490,945; Prairie Provinces, 100,638; British Columbia, 92,665; and Maritime Provinces, 10,785.

Production generated by fuel amounted to 17,940, of which 14,113 was credited to the Prairie Provinces and the balance to other provinces. The former shows an increase as compared with last month, while the "other" provinces declined.

Power Exports Up

The most marked change in the central electric output in March was the substantial increase in exports. During February 122,906 M kilowatt hours were exported, while in the following month exports jumped to 135,910.

Analysis of output on a daily average shows that March production was less than in February, although still considerably ahead of March, 1927. The average of 42,992 was apportioned 42,413 to water and 579 to fuel.

On this basis the Prairie Provinces was the only area to show an increase in output generated by water power. The daily average for each of the five areas was as follows: Maritimes, 348; Quebec, 19,993; Ontario, 15,837; Prairies, 3,246; and British Columbia, 2,989.

The average daily exports in March amounted to 4,381, as against 4,238 in February and 4,001 in January.

Newfoundland Year Book

The 1928 edition of the Newfoundland Year Book, which has come to hand, contains a wealth of information on Britain's oldest colony and Canada's nearest British neighbor.

In addition to the usual almanac information, the volume gives considerable information on the resources of the island which have come in for a lot of attention since the awarding of Labrador to Newfoundland last fall. Mining is also touched upon fully.

In addition there is a complete and accurate information on customs, banks, trade, fishing, together with a carefully revised directory of all towns, villages and settlements in the island.

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NEWFOUNDLAND

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Like bits of the old world these little fishing villages nestle in among the narrow openings that give on the Atlantic. Here live the hardy race, who battle a living from the sea. Romantic hamlets, like this of Quidi Vidi, only a stone's throw from St. John's dot the whole sea coast.

Quidi Vidi Village.

A Land that offers a World of New Sensations to the Jaded Traveller

—o—

Red Cross Liner, passing through Narrows, St. John's.

No visitor to Newfoundland will ever forget his first sight of St. John's as he sees it through the frame of those ragged walls of granite that guard the entrance to the harbor. Here the Newfoundland skipper almost literally feels his way in. A modern liner nosing out to sea through the harbor entrance.

Splendid Facilities and Novel and Delightful Scenes

NEWFOUNDLAND offers to the traveler jaded with conventional sight-seeing a striking and novel experience. Here is a new land, off the beaten track of travel, where there exists an old world charm in strange conjunction with the life of a new and virile northern land. Strange and engaging customs, a history redolent of romance, in the story of the struggle of French and English for the supremacy of this northern Isle, which has left its mark in ancient fortress and moss grown redoubt, and with it all a beauty of scene that has its own peculiar quality, all these things combine to make a visit to Newfoundland an entrancing memory.

Newfoundland is easily reached by four lines of steamships, all of which provide on a par with the best trans-oceanic service. In addition, Newfoundland can be reached easily and conveniently from North Sydney, Newfoundland Government steamers afford a pleasant journey across the straits to Port Aux Basques, to connect with the Newfoundland Railway.

Every Type of Pleasure for Vacationist and Sportsman

THERE is an unusually wide diversity of interests for the visitor to Newfoundland. The government road policy has opened up some magnificent scenic country for the visitor. A network of these splendid roads opens up the exquisitely beautiful Avalon peninsula, where the motorist can drive for miles, on the great granite bluffs, and see the blue Atlantic, so close that you could almost toss a biscuit into the waves, hundreds of feet below. Rugged forests, and smiling farm lands, and little fishing villages, with their spotless white houses, nestling at the end of coves whose water is as blue as indigo. Nowhere else can the motorist see so many scenes of varying interest in a day's run.

There are wonderful vacation sections where the traveler can spend weeks or months in perfect comfort, and where he can enjoy either the novelty of a rugged out-door life, or all the advantages and attractions of a modern summer resort.

For the sportsman it is a land of unparalleled attractions. The whole island is a network of streams and rivers, all of them abounding in brook trout or sea trout or salmon. For the more adventurous there is the fishing in the open sea, where men have been fishing for over five hundred years, and where the supply is as inexhaustible and assured as when the first line was let down in those populous waters.

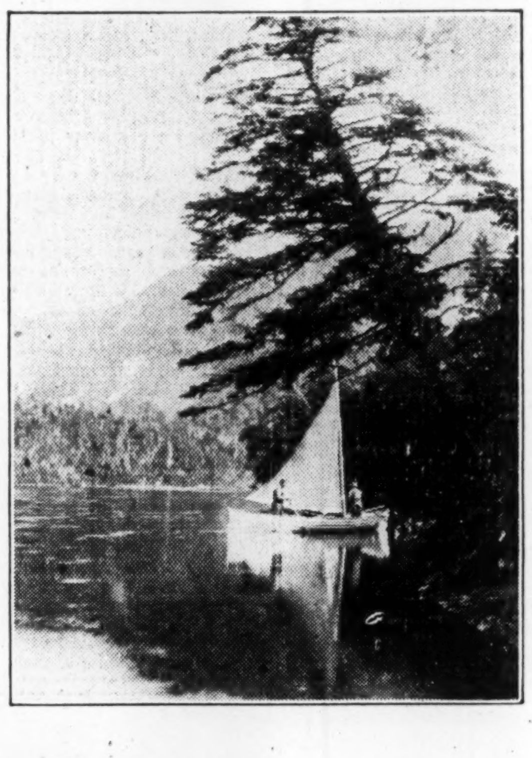
Splendid Transportation Facilities add to the Delights of Travel

NEW first-class vessels are operating on all the lines serving Newfoundland. They offer the maximum of comfort and safety. These lines give direct communication with Liverpool, Halifax, New York, Boston, Montreal and Sydney. The traveller, if he prefers, may make these vessels his home while in port. But delightful as these trips may be, the visitor to Newfoundland should make it a point to stop over and see for himself the present developments and abounding promise of this northern land. Through tickets may be procured that provide for a stop over for weeks or months, returning possibly by some other route.

The trip across the Island from St. John's on the Atlantic coast to Port Aux Basques on the West Coast is one that will not be readily forgotten, presenting, as it does, an ever changing panorama of rugged grandeur and arresting beauty. The Newfoundland railway offers every convenience of modern travel to its patrons.

Most Modern of Hotel Facilities add to the Comfort of the Traveller

With assistance of the Government a modern million dollar hotel has recently been completed at St. John's. This hotel offers to the travelling public the same type of metropolitan service and equipment that is to be found in the largest cities. The hotel occupies a commanding site, where once stood old Fort William, and it commands a view out over the harbor between two mighty headlands to the Broad Atlantic. It is a sight that one could hardly equal anywhere. In addition to this modern hotel, St. John's has others that for years have enjoyed an outstanding reputation among travellers for their comfort and excellence of cuisine.



Developing Industries that Will Repay Investigation

WHILE it is the delights of summer travel that are being especially called to the attention of the public, it is well to remember that Newfoundland is rapidly coming into a new period of prosperity that is of interest to the world at large. The development of its tremendous natural resources is attracting the interest of foreign capital, and there is a wide field of opportunity here.

It is possible then, that in planning a summer vacation, or an autumn sporting holiday, one might well consider that here is a new country that might well justify a personal inspection, that combined with the holiday attractions, it has factors of material advantage to offer to many people.

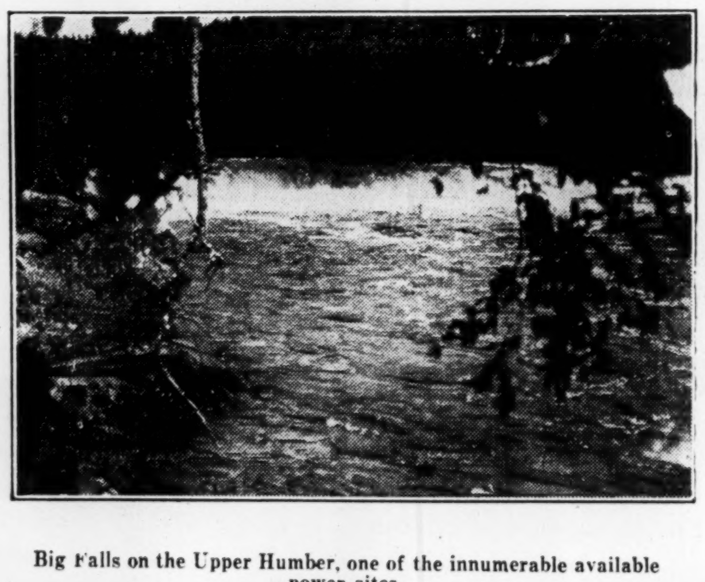
Newfoundland is rapidly developing into one of the premier pulp and paper sections of the world. The almost limitless supply of pulp timber, combined with the availability of cheap power, has made possible the building of a mighty industry in the past decade. The growth of this industry has brought about the growth of towns all making new demands. The manufacturing industry of the country is yet in its infancy, but the availability of this cheap power gives a wide promise for the future, not only in serving the needs of the Island itself, but in using its peculiarly strategic position for the serving of world markets.

Mining Development, Still in its Infancy, Offers Untold Opportunity

WITHIN the past year or two development has begun on what is generally recognized as one of the outstanding lead-zinc deposits in the world. This mine promises to rank among the great mines of the world, and until a comparatively few months ago its possibilities were hardly known. The iron deposits of the Island are also among the most noted in the world. Years ago the copper industry flourished, only to decline, but the discovery of modern methods of mining have made these widely spread copper resources of new importance. Important deposits of silver are being mined, and gold and other minerals are known to exist. Up to the present time prospecting has been done on a comparatively small scale, and mainly at and about the sea coast. Every indication, however, points to the fact that important mineral discoveries will be made in the near future. It would be worth the while of anyone interested in this great industry to visit the country and see for himself.

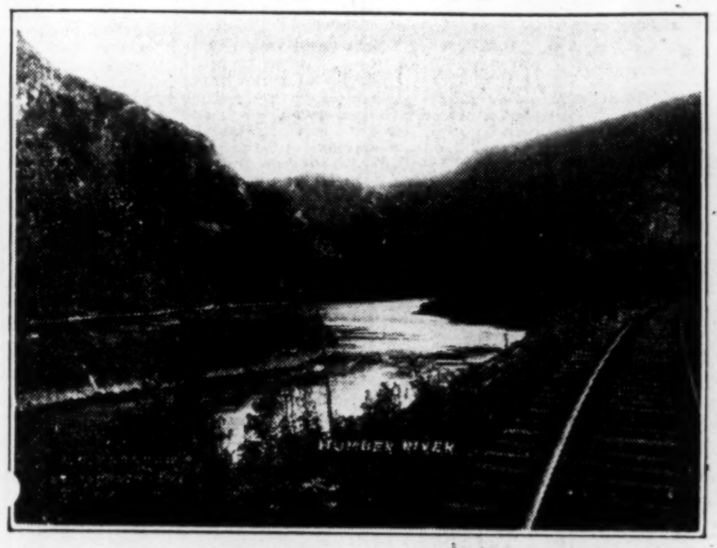
Any further information that may be desired will be gladly furnished on application to

Government Offices
St. John's
Newfoundland



Big Falls on the Upper Humber, one of the innumerable available power sites.

The river valleys of Newfoundland's glorious streams provide a beauty of forest and mountain and stream that cannot be surpassed anywhere. These views of various sections of the mighty Humber, that drains one of the most picturesque sections of the Island, give some idea of the beauties that are to be found here.



The timber resources of the Humber region are almost inexhaustible. Its beauty challenges comparison.

The Newfoundland Tourist and Publicity Association, located in the Newfoundland Hotel, St. John's, will gladly co-operate in making the visitors' stay an outstanding success, suggesting places to visit and best modes of travel, and even arranging for guides and equipment for sportsmen.

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXII. Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, MAY 18, 1928 10c. a Copy; $5.00 a Year No. 20

International Utilities Serves New Territories on Prairies and Pacific

Growth is Rapid as Company Obtains New Power and Gas Franchises—Saskatoon Soon May be Added

Increased importance of the Canadian properties of International Utilities is illustrated graphically by the accompanying map. A few years ago, Canadian Western Natural Gas served Calgary, Lethbridge and immediate environs with gas, and Northwestern Utilities, another subsidiary, likewise served Edmonton and the towns between the gas fields and Edmonton. In those days, the Canadian properties of International Utilities were not big revenue producers. International Utilities gets most of its revenue from its Kentucky properties.

Revenue still comes from the Kentucky properties. It also is coming in moderate amounts from the Buffalo and Erie Electric Railway, which was bought from the bankruptcy court. The actual increase in revenue to International Utilities from the Canadian properties may not, as yet, be very great, but a glance at the map indicates that the potential revenues are substantial.

Establish New Plants

The company proposes to establish a central power station at Yorkton, Sask., and distributing therefrom electricity to Melville, Indian Head, Wolseley, Grenfell, Broadview, Whitewood and Moosomin. A central plant to be established at Watrous, Sask., will serve the towns of Young, Nokomis, Simpson and Imperial.

Extension of the plant at Drumheller, Alta., is planned also and construction of transmission lines from this station will supply Wayne, Munson, Delia, Hanna, Three Hills, Trochu, Big Valley, Rowley, Morrin, Stettler, Forestburg, Galahad, Alliance, Castor and Coronation.

International Utilities is planning still further extensions. An offer has been submitted to Saskatoon for the municipally owned electric, light and power plant and street railway. An offer also has been made for the light and distribution system owned by the city of Edmonton. The municipal authorities at present have these offers under consideration.

The map of Vancouver Island, which is inset in the larger map, should not be overlooked in viewing the Canadian properties of International Utilities. A central power plant is operated at Nanaimo, a natural gas plant at Duncan and electric and natural gas plants probably will be established at Duncan and Alberni.

Nanaimo is a compact city of 10,000 population which, like many other communities in British Columbia, has reason to expect continuous substantial growth. Ladysmith is on Oyster harbor, across from Vancouver, and has a population approaching 3,000. Duncan, 40 miles north of Victoria, has a population of 1,500. Alberni is at the head of Barkley sound and is a thriving community.

Territories Prosper

With the Pacific Coast of Canada thriving and more optimistic than it has been for a decade, it is fair to assume that the utilities controlled by International Utilities Corporation will prove good investments. It is understood, moreover, that International Utilities Corp. has invested some of its reserves in stock of British Columbia Electric Railway Co., on the London stock exchange.

Alberta and Saskatchewan probably never have been more prosperous than at present. Certainly there has never been so much reason for optimism, for now not only is there great wealth to be won through agricultural operations on a large scale, but Alberta, at least, is becoming increasingly important from an industrial and mineral point of view and this diversification will be of benefit to the whole west and to Canada.

The Alberta oil fields are closely connected with the prosperity of Canadian Western Natural Gas, subsidiary of International Utilities. Drumheller will prosper greatly if, as is expected, the new coal rates increases the mining of Alberta fuel; International Utilities operates a central power plant at Drumheller. Manufacturing gradually is becoming a factor in the life of such centres as Edmonton and Calgary and an abundance of natural gas at low prices is an inducement in many lines. The tourist industry is also contributory to the growth of the communities served by subsidiaries of International Utilities Corp.

International Utilities Corp. was incorporated in Maryland in 1924. P. M. Chandler is chairman of the board and president. C. J. Yorath, a resident of Calgary, is Canadian representative of the corporation and active executive of the western properties. Capitalization of International Utilities consists of 36,968 shares of $7 prior preference stock of no par value, 158,798 shares of Class "A" shares of no par value entitled to $3.50 annually, and cumulative and participating up to $5 the share after Class "B" shares have received $1. Class "B" shares total 545,434. The "A" stock is redeemable at $60.

Following is the stock record for 1928 of the Class "A" and "B" stock:

1928	Class "A" High	Class "A" Low	Class "B" High	Class "B" Low
Jan.	51¼	47	10⅝	9
Feb.	49¼	44¼	9½	6½
Mar.	48½	45	9⅜	7
Apr.	48⅞	44	11½	8
May*	51½	47½	16	11

* To 14th

Calgary Gas Expands

CALGARY.—The Calgary Gas Company purposes spending a million dollars during 1928 in various extensions which may involve the building of an additional line from the Turner Valley to Calgary. Fifteen miles of low pressure distribution mains are to be laid in various towns and cities supplied by the company, and in this connection some of the outlying districts of Calgary will be tapped.

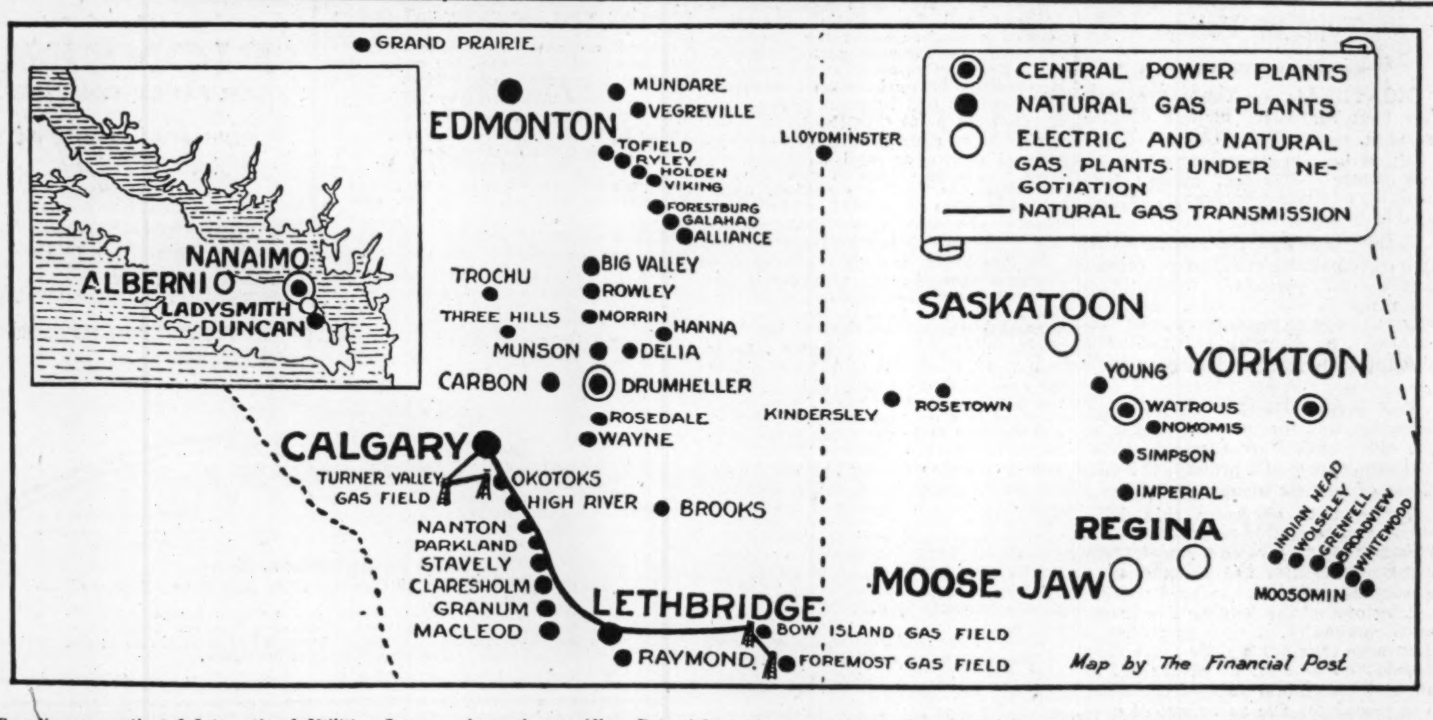
A considerable sum has been included for renovating and enlarging existing lines within the city limits and for the purpose of discovering new sources of gas supplies. In the latter connection three diamond drill outfits are now boring various territories in Southern Alberta in search of new structures.

MONTREAL
the
Power City

Ease in obtaining raw materials and plentiful power for industries are bound to produce prosperity. To supplement the 300,000 h.p. it supplies to Montreal at present, this Company has a reserve of 200,000 h.p., to which will be added within eighteen months another 100,000 h.p., in anticipation of greater requirements.

Montreal Light, Heat & Power
CONSOLIDATED

International Utilities Enterprises Dot Prairies; Two on Pacific Coast



Canadian properties of International Utilities, Inc., are increasing rapidly. Potential earning power is greatly enhanced by securing of franchises in many communities in Alberta and Saskatchewan.

LOWER EARNINGS AS DOM. TEXTILE SLOWS UP PLANT

President Says Plant Operates Now at 50 Per Cent.

From Our Own Correspondent

MONTREAL. — With only six months of capacity operation, for 1927, Dominion Textile Company shows slightly lower sales, and a 17 per cent. reduction in operating income for the year. On a per-share basis, earnings were equal to $6.47 as against $7.36 per share in the preceding year. There is a slight decline in working capital. At the present moment, the company is only operating at 50 per cent. of its capacity.

The following are the profit and loss account figures:

	—Year Ended— 1928	1927
Op. income	$1,532,487	$1,825,293
Add int. on inv.	371,345	276,692
Total inc.	$1,903,832	$2,101,985
Less:		
Bond int.	310,320	310,320
Pfd. divds.	135,842	135,842
Com. divds.	1,125,000	1,125,000
Year's surplus	$ 332,670	$ 530,823
Add prev. surplus	6,529,987	5,999,164
P. & L. balance	$6,862,657	$6,529,987
Earn. on com.	$6.47	$7.36
Working Capital Position	1928	1927
Curr. assets	$10,940,659	$10,189,093
Curr. liabs.	2,603,337	1,499,267
Working capital	$8,331,322	$8,689,826

Higher Assets

The company's total assets for the year ending March 31st, 1928, are $31,851,000 as against $30,408,000 a year ago. The increase is due to a slightly higher property account caused by additions to the company's print works; by higher inventories and the amount of raw cotton on hand; and by a slight increase in investments.

On the liabilities side the company shows a new item namely, $815,000 which is entitled "loans." Another new item namely "Raw Cotton Acceptances" runs at $536,000. The company's profit and loss surplus is increased from $6,529,000 to $6,862,000.

The remarks to the shareholders by the president, Sir Charles Gordon, are as follows:

"Sales for the year amounted to $19,797,901, compared with $20,392,708 last year.

"The gross manufacturing profit was $1,532,487 and interest and profit on sale of investments $371,345. The surplus after paying interest on bonds and dividends on preferred and common stocks amounted to $332,671, which was carried forward to the credit of profit and loss account.

"We regret to have to record the death, during the year, of Mr. C. R. Hosmer, who was for twenty years a director of your company. Always a tower of strength, greatly esteemed and respected by all, his loss will be deeply felt.

"The additions to the print works, referred to at the last annual meeting, have been carried out. Twenty printing machines are now installed, with space for additional machines. Practically all the new complementary machinery is in place and operating, and the balance of the machinery is being relocated to conform with the new plans and routing of cloth through process. This plant will now bleach, dye, print and finish any class of cotton, silk and artificial silk cloths up to sixty inches wide.

"During the first six months of the year all your plants ran to capacity, but, owing to trade conditions and importations, the production during the last six months was reduced to between 75 and 50 per cent., which latter is the basis of operation at present.

"During the year the Tariff Advisory Board reviewed the conditions in the cotton industry in Canada. We find it difficult to reconcile the facts laid before the board with the recent tariff submitted by the Minister of Finance. The products of this company were given a reduction of from 2½ to 7½ per cent. under the general tariff, in addition to a number of reductions in the already inadequate preferential tariff."

Power Corp. Charges Fix Present Aegis

From Our Own Correspondent

MONTREAL. — Preliminary privileges for the holders of six per cent. preferred, and an increase in the company's capital stock were approved by shareholders of the Power Corporation last week.

The increase in no-par-value common is from 250,000 to 1,000,000 shares. The increased stock will provide funds for the undertaking which has been recently bought by Power Corporation in B. C.

The other change gives the holders of 6 per cent. preferred the right to 10 votes per share as against one per share previously. This is to guarantee control of the company's affairs by the present management.

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Moving Call Rate Sought by Brokers

From Our Own Correspondent

MONTREAL.—Commenting on the importance of the Montreal Stock Exchange in the international market, Mathewson, McLennan and Molson, make the following remarks in their weekly letter: "The buying from other financial centres is becoming a feature and will probably continue to grow as both the United States and Europe are recognizing the investment opportunities in this country. Apart from New York we are the most international market on this continent, and this adds great strength to our situation, also tends to broaden us as a centre for lending money. It is hoped and expected that some day this factor will result in a fluctuating call loans market, interest rates regulated by supply and demand instead of the present arbitrarily fixed call rate of 6 per cent., which has not been changed for many years. Bank call money is either easy or scarce here, but always at 6 per cent.

Rothschild Company Open New Branch

From Our Own Correspondent

MONTREAL.—Geoffrey P. Hedges is the new manager of an uptown office of L. F. Rothschild and Company that has just been opened in uptown Montreal. The new office is at 1411 Peel St., just below the Mount Royal Hotel.

The Rothschild firm are members of the New York Stock Exchange and besides their head office in New York, have branches in Rochester and Newark, as well as their two Montreal offices.

SAY WASHINGTON TO GRANT RIGHTS TO PRIVATE GROUP

This Would be Policy in Development of St. Lawrence

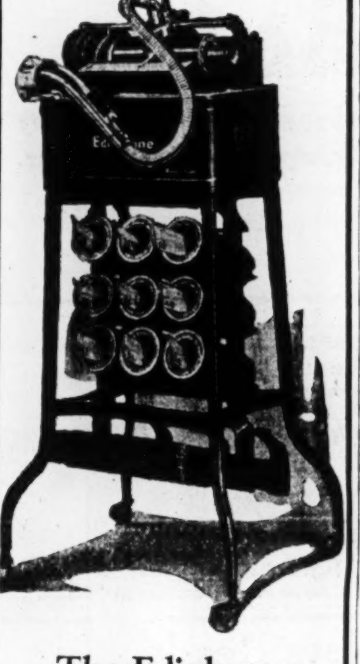
From Our Own Correspondent

OTTAWA.—Rumors of new developments in regard to the method which the United States will employ in the construction of the International section of the Greater St. Lawrence waterways, come drifting down through the upper strata of statesmen and constitutional experts, but there is no solid grain of unimpeachable fact available. The latest rumor is that the United States government will employ the same method as the National Advisory committee has recommended to the Ottawa government. That is, the Washington government will grant the power to a private company on condition that this company construct the navigation channel and turn it back to the government free of charge and complete in every way.

Government officials are inclined to scout the report for the reason of this sort. However, there is some reason to believe that the United States government will adopt this method of procedure and from Canada's viewpoint, it would, no doubt, be necessary to take additional precautions to make certain that the work on the International section of the river was done properly.

The next real step in the Greater St. Lawrence project will take place late this month or early in June when the Beauharnois Power company will ask the Federal government to approve the plans for the proposed development in the Quebec section of the river. Those behind the company are very powerful in Ottawa and it is now being forecast that the government will approve the plans without delay and make an early start of the organization of the actual construction work possible. It may be, however, that the government may desire to hold up the company until the Supreme Court has pronounced on the question of provincial versus Dominion jurisdiction over water powers and, if so, there may be a delay of several months. The hearing is to take place on May 28 and it is scarcely probable that judgment will be handed down before the summer recess.

What Is The EDIPHONE?



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GENERAL TRUSTS REGINA OFFICE OPENS SHORTLY

Purchase of Saskatchewan Mortgage of Trust Corp. Now Completed

With the formal appointment of a liquidator and the ratification of sale of its assets, practically the last stages in the sale of the Saskatchewan Mortgage & Trust Corporation to the Toronto General Trusts Corporation were completed this week. The necessary routine formalities preceding the actual taking over of the new western offices will take only a short time, and a week or ten days will see the establishment of this new Regina branch.

The terms of sale unanimously assented to by the Saskatchewan shareholders call for the payment of $835,931.69 cash and interest from January 1st last by the Toronto General Trusts. This is the equivalent of par for all the Saskatchewan shares outstanding; and the agreement calls for the redemption of the Saskatchewan shares in cash on this basis.

This new Regina branch of the Toronto General Trusts Corporation will bring to the Corporation a considerable mass of new western business, assets of estates under administration of the old Saskatchewan Mortgage & Trust aggregating $705,402 at end of 1927, with first mortgages on real estate totaling $420,475. In addition there is a twenty-year old loan and trust connection together with sound appraisals of many hundreds of western properties.

The new office will be in the charge of A. B. Imrie, of the Toronto office of the corporation. Mr. Imrie has been connected with the Toronto General Trusts for more than two decades, and for the past sixteen years has been estates officer for the corporation.

PERFECTION HOLDERS WARNED IN LETTER

Company Advises Shareholders to Investigate "Switching" Offers

From Our Own Correspondent

MONTREAL.—A circular letter sent to the shareholders of Perfection Glass Company states that sales for 1928 show a considerable increase over sales for the corresponding period last year.

Considerable attention has been paid by the company to the manufacture of laminated glass. The company seems hopeful of arranging a contract on a profitable basis for supplying this product to one of the automobile manufacturers. However, it is stated that at the present time it is impossible to obtain anywhere in the world an adequate supply of the right kind and quality of glass and that the methods of treatment have to undergo some slight changes to insure not only the quality but volume of output of laminated glass.

Shareholders Warned

The company warns its shareholders against the efforts of mining companies who are endeavoring to persuade the Perfection Glass shareholders to exchange their holdings for shares in a mining company. The warning is, that such a change should not be made without the most careful investigation.

Mid-Valley Oil Will Not Drill Holdings

From Our Own Correspondent

MONTREAL.—The Mid-Valley Oil Company will not undertake drilling operations on its holdings which are located in the Turner Valley. On an adjacent property, owned by the British Oil Company, a well was drilled to a depth of 6,600 feet without obtaining any indications of oil.

Because of the unsatisfactory showing in the adjacent territory, the Mid-Valley will not drill in the Turner Valley nor in any other property. Some time ago the Mid-Valley Oil Company was formed by Montreal interests and obtained what at that time looked to be promising holdings.

Land Sales Cause Hudson Bay Rise

From Our Own Correspondent

MONTREAL.—Reports that the company have commenced oil drilling operations in Alberta and have also made satisfactory land sales, are responsible for a rise in Hudson Bay Company stock. Present price is more than £6.

Calgary Power Expands

Calgary Power Co. is now busy stringing electric wires in various sections of the country, taking in the small towns, and a great many farmers are securing the service. The Midwest Utilities are also active in the same direction.

Trust and Loan Stocks Combine Characteristics Near Ideal for Investors

Safety, Yield, Appreciation, Marketability to be Found

ARE STABLE IN SLUMP

Are Substitute For Bond Background While Market Value More Likely to Increase

In this time of appreciation in bank stocks until yields are low, it is believed that not enough attention has been paid to the possibilities of stocks of a number of the trust and loan companies. These stocks combine stability, yield, appreciation and marketability and in this respect are on a par with the bank stocks. Stocks of trust and loan companies also have a collateral value which bank stocks lack. A Canadian chartered bank is forbidden by law to loan on its own stock. There is no such disability as regards trust company stocks, although a number of the trust and loan companies themselves have established the rule against loaning on their own stocks. This rule, however, does not prevent borrowers from being accommodated at a bank.

The collateral value of the stock of a sound trust or loan company should be high. Where bankers fail to appreciate the security the fault is believed to lie first with the banker for not having a thorough knowledge of security values and, secondly, with the trust and loan companies as a class for the sin of hiding their light under a bushel. There are less than a dozen of these companies which have their stock listed on a Canadian exchange. A number of the others are indifferent to the advantages of added marketability of the stock from the point of view of the company and a number of others have rather definite, yet not easily understood, reasons for pursuing a policy of non-listing.

More Will Be Listed

It is fair to assume, however, that the trust and loan companies, as they grow, will see the advantage of listing, especially as new capital is being sought to expand the business along sound lines. The listed stock, almost invariably, sells at a higher price than the non-listed stock of otherwise equal merit. High valuation of stock is an advantage to a company getting in additional capital, whether the new capital is sought from the shareholders or is offered generally to the public.

No one should get the impression, however, that the stock of a good loan or trust company is not a desirable investment because it is not listed. In fact, for the person who values yield more than marketability, there are a number of the trust and loan companies which are better investments than those which are listed. These companies are, for the most part, in one of the older communities and are owned locally. Usually there is some person or group interested in the company who maintains a market for the stock. This person or group is often more than ready to buy.

The security of investment in most of the trust and loan companies is not to be questioned. Although all those companies whose assets are concentrated largely in mortgages have suffered to a greater or less extent by the agricultural depression which afflicted the Northwest until two years ago, and by the industrial depression in some urban centres, the better managed companies are entering the new era of sound prosperity with little or no real estate on hand, with reserves indcreased and with the prospect of gradually increasing earnings.

Losses Are Smaller

It is true that loan companies are not, on the average, receiving as high a rate of interest as formerly. But this loss in interest has been offset in some degree by the smaller ratio of losses through bad risks. There is a marked tendency, moreover, to reduce the rate of interest paid on deposits and debentures, with the result that something like the old ratio between interest paid and interest received is maintained.

Security depends primarily on management. Management of a loan company requires acute judgment in placing loans, economical operation and moderation in dividend payments until such time as reserves are built to a good figure. The company with substantial reserves and which year after year shows considerably higher earnings on capital than payments by way of dividend is a company which, it is safe to assume, is prepared for contingencies, is well-managed and which will be able to maintain dividends through bad times and increase payments when times are good.

In periods when other classes of stocks bought for appreciation show signs of receding in value, the stocks of the sound trust and loan companies have been stable. This fact, coup-

(Continued on page 16)

Brokers Think G.S.W. Sells out of Line

From Our Own Correspondent

MONTREAL.—Preliminary to its being listed in Montreal and Toronto, General Steel Wares common stock is coming in for a considerable amount of attention. At present the stock is being traded on the Montreal Curb, prior to application for listing on the Montreal and Toronto markets. In a circular issued by McCuaig Bros. & Co. on this stock, the following paragraph appears: "It is to be noted that there is hardly a stock listed on the Montreal Stock Exchange, which is not selling on a basis of over twelve times its earning power, so that on a basis of current earnings, a price of 50 for General Steel Wares would be conservative."

Executive Available

Here is a well-known executive with varied, thorough and practical experience as office man, salesman, sales manager, branch manager, and at present General Sales Manager for large Canadian manufacturer, in charge of Wholesale, Retail and Export sales aggregating four millions.

He is a Canadian, age 34, in excellent health, married, has unimpeachable references and business record. He possesses an intimate knowledge of almost the entire Dominion, is capable of creative thought and constructive ideas, and has the sales instinct, vision and energy to build up a business.

For sound reasons he desires to change his present business. He wants this new connection to be his last, and will consider any enterprise that is likely to be of economic importance during the next 20 years. Box 114, The Financial Post, Toronto.

ANGLIN - NORCROSS
(LIMITED)
Contracting Engineers and Builders
MONTREAL : : TORONTO

THE Standard Bank of Canada solicits not only your account, but also the opportunity of aiding you in the business and financial problems that go with it.

THE STANDARD BANK OF CANADA
A. F. WHITE, President.
N. L. McLEOD, General Manager.

We Feature Collections

OUR Collection Service is a matter of pride with us. It is very carefully organized and supervised. Messengers are courteous and efficient.

Rest assured that your Drafts will be forwarded and presented promptly, and thereafter followed up until the credits appear in your bank account.

Any branch of the bank will give you painstaking and dependable service.

IMPERIAL BANK OF CANADA
187 Branches in Dominion of Canada

Agents in: ENGLAND—Lloyds Bank, Limited, London and Branches. SCOTLAND—The Commercial Bank of Scotland, Limited, Edinburgh and Branches. IRELAND—The Northern Banking Co., Limited, Belfast and Branches. FRANCE—Lloyds and National Provincial Foreign Bank, Limited, Credit Lyonnais.

Insurance for Buyer and Seller

EXPECT NAMES OF COMMISSION IN A FEW DAYS

Hon. Francoeur Mentioned as Chairman of Quebec Compensation Board

From Our Own Correspondent

MONTREAL. — Within the next few days, it is expected that the Quebec Government will announce the names of the new Compensation Commission. The Honorable J. N. Francoeur, Member of the Legislative Assembly, is mentioned as a probable Chairman of the Commission. Honorable J. N. Francoeur was Speaker of the Assembly from 1919 to 1927.

Although the new Workman's Compensation Act does not come into force until September 1st, it is necessary that the Commission be appointed as soon as possible in order that they may be fully familiar with their duties by the time the new Act gets under way. The Act establishing the Commission will come into effect by proclamation.

Largely in Montreal

Although the head office of the Commission is to be Quebec City, nevertheless the fact that most of the business will arise in and about Montreal, leads to the conclusion that the bulk of the work will be carried on in this city.

The salary of the chairman of the commission is to be $10,000 a year, while the two other members of the commission will be paid $8,000 a year. The commissioners must devote their full time to their task of putting into effect the provisions of the Workmen's Compensation Act. The Lieutenant-Governor-in-Council will also name a secretary, who will be paid $5,000 a year. Since lawyers are barred from appearing before the commission—it being expressly provided that there shall be no legal fees—the secretary is charged with the task of representing claimants before the commission.

Will Clear Courts

The main feature of the new act is the fact that workmen's compensation cases are removed entirely from the Superior Court. This change is expected to mean a considerable easing-off of business in the courts, since the number of cases before the judges at present is considerable.

Accidents happening between now and September 1, however, will go to the courts for decision. The benefits accorded injured workmen are also increased, the allowance being raised from 50 to 66 per cent. for cases of permanent total incapacity and partial permanent incapacity, with a maximum of $10,000 in the first instance, and of $5,000 for the second category mentioned. The rate for partial permanent cases is based on an indemnity of two-thirds of the salary earned, on a basis of four weeks for each one per cent. of incapacity.

Special provision is made for the employer in a small way, it being provided that the employer of less than seven workmen need not come under the act unless he so chooses.

PRUDENTIAL NOT EXPANDING INTO CAN. LIFE FIELD

General Manager Says English Co. Will Continue Writing Fire Only

That the billion-dollar Prudential Assurance Company of London, England, has no intention of invading the Canadian life insurance field, is the emphatic statement of its general manager, Sir Joseph Burn, K.B.E., F.I.A., F.S.I., who is at present touring the United States and Canada on behalf of his company and allied financial interests. Sir Joseph states that the present fire insurance connection which his company has in Canada, will be broadened and extended with the logical expectation of considerable increase in volume of Canadian business.

Part of Sir Joseph's mission to the United States and Canada has been to bring into closer relationship the Remington-Rand interests on this side of the water and the Accounting and Tabulating Corporation of Great Britain. It is understood that an arrangement has been concluded by which interchange of patents and allotment of territory have been agreed to, this agreement virtually amounting to a merging of the interests of the American and British corporations.

The Accounting and Tabulating Corporation of Great Britain is a subsidiary of the Prudential Assurance Co. It occupies a three-acre plant and produces mechanical accounting and tabulating contrivances that Sir Joseph claims have completely revolutionized insurance methods throughout the world. In fact he claims that they have done for insurance what the application of power and the invention of power looms did for weaving. He claims that after the application is signed and accepted this new mechanical equipment then turns the ensuing transactions into merely mechanical operations, in this way saving thousands of dollars in manual labor.

Empire Life May Pay Dividends by New Year's

To date Empire Life has doubled its 1927 production for the same period.

Directors of the company anticipate putting the stock of the company on a cash dividend basis by the end of this year. Usually young insurance companies take a long time to get on a dividend basis, but the progress of Empire Life has been such that directors anticipate reaching that point within six years from the inauguration of the company. It is now five years old.

In February of this year, the shareholders received a stock bonus of $5 a share or $80,000 in all.

BRITISH Underwriters EMPIRE Agency

Head Office - Toronto

FIRE and AUTOMOBILE INSURANCE

Sir Joseph Burn Visits London Life

During his present visit to Canada, Sir Joseph Burn, general manager of the Prudential Assurance Company of London, England, the largest insurance company in the British Empire, was the guest of the London Life Insurance Company. Sir Joseph was particularly interested in the London Life on account of its new head office building and the fact that it is an industrial-ordinary company. The Prudential was the company which inaugurated industrial life insurance. The invitation to visit London was extended by J. D. Buchanan, actuary of the London Life at the time of the International Congress of Actuaries last year over which Sir Joseph presided.

POLICY LAPSES BIGGER PROBLEM 60 YEARS AGO

Extracts from Superintendents' Reports Show Huge Ratio of Lost Business

From Our Own Correspondent

MONTREAL.—When T. L. Church introduced his Bill on lapsed insurance into the House of Commons, he asked the Minister of Finance some interesting questions as to the amount of lapsation. The figures given in reply, show that while the record for 1927 is not quite as good as that of 1926, nevertheless there is a large improvement over 1925 and previous years. The figures for the past three years are as follows:

Year	Gross face value amount issued	Gross face value amount lapsed	Percentage lapsed of issued
1925	$807,079,035	$255,111,942	31.61%
1926	909,279,187	257,522,843	28.32%
1927	955,010,607	284,481,784	29.79%

These figures show clearly the tremendous importance of the lapsation problem. Over one-quarter of a billion dollars' worth of life insurance is dropped each year by policyholders, entailing a loss that adds more than materially to the cost of life insurance. However, lapsation is by no means a new problem.

Fifty years ago, the then Superintendent of Insurance had the same problem on his hands, and although in those days the amount surrendered or lapsed was only $11,000,000, nevertheless the lapsation ratio was at a staggering height.

Some Early Figures

Here is a paragraph from the Superintendent's report for the year ending December 31, 1878. The average figures for all companies give a lapse ratio of no less than 94 per cent. in that year, with the American companies showing by far the worst. The extract is as follows:

"The amounts lapsed or surrendered are: In Canadian companies, 67.50 per cent. of the new insurances; in British companies, 58.88 per cent., and in American companies, 156.66 per cent., the largeness of this last number arising from the discontinuance of new business by so many companies in the course of the year."

Another interesting exhibit is a somewhat lengthy reference to the question of lapsation in the Superintendent's report for the previous year, 1877. In this year, the average lapse ratio was 79 per cent. for all companies, and again the American companies show the worst experience. The closing remarks of the Superintendent regarding the cause of lapsation might have been taken from any up-to-date reference to lapsation.

New Business Interesting

He says: "The causes are various, but in my opinion the main cause is to be found in the conduct of the business by agencies, a large commission being generally given on new business and a relatively much smaller on the collection of renewals so that the interest of the agent lies more in the procuring of new business than in the retaining of the old."

The report is as follows:

"The amount of insurance terminated during the year by natural course, namely, by death, maturity or expiry, was $1,072,867; and that terminated by surrender or lapse $11,138,960. The following table shows how this termination is distributed among the companies, the details for each company being given on p. Iii.

Amount Terminated in 1877

Companies	Naturally	By Surrender and Lapse
Canadian	$ 217,506	$3,489,879
British	364,338	1,451,377
American	491,023	6,137,704
Total	$1,072,867	$11,138,960

"Hence we may infer that, on the average, out of each $1,000 at risk there has been terminated during the year in natural course $11.77, and by surrender or lapse, $122.26. Or, taking the companies by nationalities:

Companies	Naturally	Surrender or Lapse
Canadian	$7.90	$126.74
British	18.18	72.41
American	11.28	142.37

"The amounts lapsed or surrendered are, in Canadian companies nearly 60 per cent. of the new insurances; in British companies 68 per cent. and in American companies, 109 per cent.

"The very large amount of this abandonment of insurance is not wholly to be attributed to the prevailing commercial depression, as it has always been a characteristic of the business on this continent. The causes are various, but in my opinion the main cause is to be found in the conduct of the business by agencies, a large commission being generally given on new business and a relatively much smaller on the collection of renewals so that the interest of the agent lies more in the procuring of new business than in the retaining of the old."

Anticipate Good Prices For This Year's Wool Clip

Wool prices are opening this year fully 30 per cent. above those at the beginning of last season, and all indications point to these firm prices continuing, reports G. E. O'Brien, general manager of the Canadian Co-operative Wool Growers.

Prices paid by dealers in the country generally speaking are running from 24 to 28 cents this spring compared with 17 to 20 cents a year ago. In the range country of Southern Alberta from 24 to 26 cents is being offered, with 24 to 28 cents in Ontario and from 24 to 28 cents per pound in Quebec. The first settlements for Ontario early spring and winter shorn wool, which are now being made by the Canadian Co-operative Wool Growers, reflect these higher values being as much as 40 per cent. above the settlement prices of a year ago.

GRADUATED PLAN OFFERS SOLUTION TO ONE PROBLEM

Business Man May Double Protection by Simple Type of Policy

From Our Own Correspondent

MONTREAL. — There are very few men who carry enough life insurance.

Many business men, who are insufficiently protected, realize the need for additional insurance, but are unable to afford it.

A few years ago, the way in which this circumstance could be overcome, was by the purchase of additional insurance as one got older, until finally as one's earning power increased, a thoroughly sufficient amount of protection had been built up.

One great objection to this plan, however, was the possibility that as the older ages were reached—physical condition would prohibit the purchase of further insurance.

In order to overcome this difficulty, and to enable a comparatively young man to build up a satisfactory insurance estate, the scheme of a graduated premium has been worked out by one of the leading life insurance companies. Under this plan, a man may take out a little more than double the amount of insurance, at about the ordinary rate of premium. The premiums are so arranged over a period of five years, so that they gradually increase in that time, and after that will be reduced to the operation of dividends if the policy is a participating one.

Here is an actual case.

At Age 35

At age 35, in order to create $10,000 of insurance, the premium would be $151.40. In the second year, the premium would be approximately a little less. In the third year there will be an increase of about 15 per cent. with similar increases in the fourth and fifth years. From then on, however, the amount of policy still increases, though this is regularly reduced by the increase in dividends.

A Regular Programme

The particular virtue of this plan is that it allows a systematic building of an insurance estate which which will produce a definite income and will keep the standard of living as near as possible to the level at which it has been carried, during the insured's lifetime. The idea has been an outgrowth of the programming principle which has been very largely applied to life insurance of late. The graduated premium plan permits the payment by yearly instalments, commensurate with earning power.

SHOWS RELATIONSHIP OF LOSSES TO TRADE

Fire Insurance and Business Follow Each Other in Ups and Downs

At the recent fire marshals' convention held at Ottawa, Harry Rethoret, manager of the Fire Underwriters' Investigation and Loss Information Bureau of Canada, addressed the meeting on the subject of arson, using as a basis of his address the chart prepared by the Glens Falls Insurance Company on Failures and Loss Ratio. He also showed a similar chart for Canadian conditions, for the same period of years.

Mr. Rethoret pointed out the close relationship existing between loss ratios and good or bad business years. He stressed the point that the large number of fires classed as being of "unknown" origin, as well as numerous fires "supposedly" due to smoking and electricity, in reality contained quite an appreciable number of losses which were of undoubtedly incendiary origin.

Losses Follow Failures

In analyzing the two charts Mr. Rethoret showed that while they covered periods of normal business conditions, leading up to 1914, then the very abnormal conditions during the war years, followed by the business depression as an aftermath of the war, up to the gradual readjustment of business in the last two or three years, it was significant to note that the failure chart and the loss ratio chart ran practically parallel. Notwithstanding high pressure production during the war years, loss ratios dropped, yet, as Mr. Rethoret pointed out, in the hustle of production during that period, ordinary fire prevention measures were frequently disregarded. Factories worked overtime, stores did a rushing business and failures reached the lowest levels, followed continuously by ever decreasing loss ratios.

As soon as Armistice was signed and business dropped and factories ceased operations, failures increased tremendously, accompanied by a rapidly mounting loss ratio. During that very same period there was plenty of time for fire prevention measures, as the rush of production had stopped. It was extremely interesting to note that both charts showed the same conditions during the same years.

More Promotions Announced by Metropolitan Life Co.

The Canadian head office of the Metropolitan Life, announces the following changes in the field:

Samuel Isaacson, manager at the Humber, Toronto, district, is appointed general manager at the Canadian territory.

J. H. Noble, agent at the Humber, Toronto, district, is appointed assistant manager at Humber.

H. F. Lowman, general assistant manager in the Canadian territory, is appointed assistant manager at the Toronto district.

Henry A. Miller, general assistant manager at the Canadian territory, is appointed manager at the New Glasgow, N.S., district.

W. R. McHachen, formerly manager at the Toronto district, is appointed general assistant manager in the Canadian territory.

H. A. Miller, assistant manager at Vancouver, B.C., is appointed general assistant manager at the Canadian territory.

James Berfoot, supervior at the Canadian territory, is transferred to the New England territory.

Depreciation?

No one can see from day to day—few even from year to year—the insidious effect of wear of all property. Canadian Appraisals, microscopic in their regard for detail, analyze, report value changes, and enable you to compute depreciation intelligently, prudently.

CANADIAN APPRAISAL COMPANY LIMITED

MONTREAL TORONTO WINNIPEG 27

The Mutual Life Assurance Co. of Canada

A Special Extra Dividend of $700,000.00 will be distributed by the Company during this year.

HUME CRONYN, *President* — W. H. SOMERVILLE, *General Manager*

The CANADA NATIONAL FIRE INSURANCE COMPANY

Head Office - Winnipeg, Man.

E. F. HUTCHINGS, *President.*
HENRY SANDISON, *1st Vice-President and Managing Director.*
J. S. MCPHERSON, *2nd Vice-President.*

Applications for Agencies Invited

We Are Now Ready

to offer to men who measure up to Northern Life standards—direct home office, general agency contracts which provide vested renewals and general commissions—a contract that is a real basis for business building.

We want men who feel sure their inherent abilities and business experience can be most profitably employed in building a permanent career in Life Insurance Salesmanship.

The NORTHERN LIFE ASSURANCE COMPANY OF CANADA

Established 1897

HEAD OFFICE LONDON, ONT

Cancer Cost on Continent is $800,000,000 a Year

During 1927, cancer was responsible—in Canada and in the United States—for an economic loss of approximately $800,000,000 divided as follows: $680,000,000 as the monetary value of the persons dying from the disease, and $110,000,000 spent in the care of the victims.

The above figures are given by Dr. Louis I. Dublin, statistician of the Metropolitan Life, who adds: "The year 1928 undoubtedly will see a still greater economic loss and a greater amount of suffering since the number of deaths from cancer is steadily increasing. Cancer is a condition which occurs usually late in life, towards the end of the economically productive period. However, a considerable number of deaths occur at younger ages. For example, under 25 years of age, there are, every year, about 1,600 deaths from cancer; and between 25 and 35 years of age, there are about 3,000 deaths every year. Between 35 and 45, there are every year about 10,000 deaths of both men and women, more women than men. There are thousands of cases of deaths among persons in the ages of 45 to 75, but as they advance in age their earning power is reduced and their economic value is decreased."

Durant Motors Plants Speed Up Production

Practically maximum production is going forward now at the Durant Motors plant at Leaside, several days in the past fortnight seeing new high production records achieved. Orders continue nearly a month ahead of production. Shipments are rapidly going forward, as the company's loading docks can accommodate some 62 freight cars, 22 under roof and within buildings and the other 40 cars in well-protected yards.

The PIONEER INSURANCE COMPANY

Fire Insurance at Tariff Rates

Pres.—JAMES STEWART
Vice-Pres.—FRANK O. FOWLER, Ex-Mayor of Winnipeg
Sec.-Treas.—J. H. FACHE

Head Office WINNIPEG - MANITOBA

TOTAL ASSETS EXCEEDING 2¼ BILLIONS OF DOLLARS — INSURANCE IN FORCE EXCEEDING 14¾ BILLIONS OF DOLLARS

More Policyholders, More Insurance in Force in Canada than any other Company—

With 2,467,977 policies in force in Canada, covering $769,114,229 insurance; and $153,194,442 invested within our boundaries, METROPOLITAN LIFE plays an increasingly important role in the economic life of the Dominion.

CANADIAN HEAD OFFICE :: :: OTTAWA

Metropolitan Life Insurance Co.

THE MONARCH LIFE

A Progressive Canadian Company

Provincial Offices

Toronto, Montreal, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria, St. John, Halifax.

Mill Owners Mutual Fire Insurance Company OF IOWA

Surplus Assets $1,200,000 — 53 Years Old
Policyholders' Dividend Rate — 25% and 30%

SENECA JONES & SON, HAMILTON, ONT. — Canadian General Agents

The Independent Order of Foresters

Organized 1874

TOTAL BENEFITS
Paid to Members and their Beneficiaries
$94,000,000.00

Policies Issued from $1,000 to $5,000

G. E. BAILEY, Secretary — W. H. HUNTER, President — ALEX. STEWART, Treasurer

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON

Assets $4,026,244.79

Toronto, Ottawa, Vancouver, Victoria, Edmonton, Saskatoon, Winnipeg, Montreal, St. John, Halifax, and Charlottetown.

HEAD OFFICE FOR CANADA—HAMILTON, ONTARIO

Writing Fire Insurance at Cost

Branch Offices:
ALL POLICIES DIVIDEND-PAYING AND NON-ASSESSABLE

ONTARIO

The Security Frauds Prevention Act, 1928

will come into force
15th MAY, 1928

All must be registered by,
15th JUNE, 1928

EXPLANATION OF
THE ACT AND REGULATIONS

WHO MUST REGISTER

Every person who wishes to deal in securities will apply for registration unless he comes within the exemptions. See advertisement in next issue.

A. BROKERS **doing a general brokerage business** will apply for registration Form A; a broker doing business by himself may apply as an individual, but partnerships or companies may apply for registration as such. If the Attorney General approves of the partnership or company the partners or officers need not register separately. Branch Managers should always apply separately for individual registration. Partners or officers of companies will apply for individual registration if the partnership or company is not approved. The fee for all Form A applications is $25.

B. COMPANIES, SYNDICATES **and other non-brokerage organizations selling securities of their own issue only** will apply for registration Form B. Companies, if approved by the Attorney General, may be registered as such, thus relieving all officials except branch managers of separate registration. Officials of companies not so approved, and officials of syndicates and other unincorporated organizations, will apply for individual registration. The fee in all Form B applications is $25.

C. SALESMEN, whether representing general brokers or organizations selling securities of their own issue will apply for registration Form C. All salesmen must be registered individually before dealing in securities. The fee for salesmen whose employer is registered is $5, otherwise $25. Salesmen having no employer must register as brokers, fee $25.

OTHER EMPLOYEES not usually dealing in securities may be temporarily exempted from registration either as a class or individually. Thus, accountants, clerks, telephone girls, typists and the like need not be registered unless the Registrar requires, even although they may take an occasional order or otherwise do some act in furtherance of a transaction. Applicants will state what classes of employees they desire to have exempted, or may name individuals, describing their duties.

BONDS

SURETY BONDS from surety companies will only be required from salesmen whose employers do not register, but may be called for from any applicant, even after registration.

The $500 BONDS are to be signed by individuals, partners or companies in all cases, but not by salesmen. If a company official is registered separately a $500 bond will be required of the company.

REGISTRATION will ordinarily be completed within ten days from date of receipt of application form properly filled in. It may be temporary if further information is required. Receipts for fees and letters notifying of registration or not will be sent out. **Exhibition of them to the public will be an offence.**

Applicants will receive a copy of the Act and Regulations with the Forms.

GENERALLY ALL WHO WISH TO CONTINUE TRADING
IN SECURITIES SHOULD APPLY FOR REGISTRATION
TO LT. COL. W. W. DENISON, THE REGISTRAR,
PARLIAMENT BUILDINGS, TORONTO

See the advertisement published in next issue for further information.

May 14th, 1928.
Parliament Buildings, Toronto.

WILLIAM H. PRICE,
Attorney General

1

Current Events in Banking World

SMALL BORROWER IS NOT PENALIZED BY CAN. BANKERS

Receives Better Accommodation at Lower Interest Rate Than in U. S.

In the matter of sound loan facilities available alike to rich and poor, Canadian banking institutions are fifty years ahead of banks across the border. For, while it is only within the past week that the National City Bank has announced loan facilities presently to be installed for the benefit of salaried men and women, Canadian banks have been quietly making loans both great and small to reputable individuals for more than half a century, with a total absence of red tape, and at a net interest rate actually substantially lower than the proposed National City Bank plan.

Start New Department

The National City Bank plan includes the establishment of a special personal loan department to make loans from $50 to $1,000 to salaried men and women on proper and sufficient security. Where the applicant for the loan has not suitable collateral, the bank will require two responsible endorsers of the one-year note the borrower will give. This note will then be discounted by the bank at a flat rate of 6 per cent., this $6 per $100 on face value of the note being the total charges connected with the loan. The loan is actually thus reduced to $94. Under the terms of the loan the $100 must be paid back within the year; and the borrower has the option of making payments monthly, semi-monthly, or weekly. Interest at the rate of 3 per cent. will be allowed the borrower on the sums thus returned. But as the borrower under this plan only has the use of the maximum sum of money for an average of about seven months instead of a year, the $6 per $94 cash originally borrowed represents a tidy interest rate, despite the 3 per cent. rebate on amounts deposited. Actually worked out on the basis of average sum of money in possession of the borrower, the rate of interest per annum to the borrower is nearer to nine or ten per cent. than six per cent.

The new National City plan has been hailed as a great advance in American banking. But what is the Canadian practice?

The Canadian system is in sharp contrast to this much-touted new American banking accommodation. It is plain and simple in the extreme. Where the applicant's standing and character are good, there is no particular difficulty for anyone earning a salary to secure a small loan for any proper purpose. The Canadian bank—as is the case with the new American system—will want to know what the loan is for, and naturally will not loan bank funds for frivolous expenditures. But provided the purpose is sound, Canadian banks will continue as they have been doing during the past fifty years or more, to make annually myriads of small loans as well the huge mass of commercial loans annually advanced. Hundreds of these loans will be made without collateral or endorsements. And the small borrower does not have to pay 9 or 10 per cent., but only the regular bank loaning rate, which varies from 6 to 7 per cent. or possibly 8 per cent. in new districts with no additional charges for investigation, etc., such as are virtually included.

Nine New Branches Opened in April

A net gain of five branches is reported by the Canadian chartered banks for the month of April, the number of branches opened being nine and the number closed four. Following is a list of the branches opened and closed during the month:

Opened

Commerce—Basswood, Man., sub-agency; Rolla, B.C.
Imperial—Leaside, Ont.
Montreal—Goodeve, Sask., sub to Melville; Wostok, Alta., sub to Chipman; Mayo, Yukon.
Nova Scotia—Hudson Bay Junction, Sask.
Provinciale—Cartierville, P.Q.
Standard—Orillia, Ont.

Closed

Montreal—King and James Sts., Hamilton.
Provinciale—St. Fulgence, sub to Chicoutimi, Que.
Royal—Cueto, Cuba; Trinidad, Cuba.

Bank Chat

B. C. Sisler, of Orillia, is the new manager of the Dominion Bank at Mount Forest.

R. R. Wallace, of the Bank of Montreal, Halifax, recently sailed for Bermuda on the "Canadian Forester."

J. H. Harding of Amherstburg, Ont., will succeed B. H. Siddal, as manager of the Deseronto branch of the Bank of Montreal.

The Bank of Montreal has opened a branch at 2520A Fourth Street West, Calgary, designated "Elbow Park Branch," under the management of N. P. Woodward.

The new branch of the Standard Bank of Canada at Bay and Dundas Sts., Toronto, is expected to be in operation about June 11, when alterations now being made are completed.

A delegation of Mirror, Alta., business men, motored to Calgary in an effort to bring a bank to Mirror. The result is that the Royal Bank will have a two-day-a-week service in Mirror.

A. G. Mordy, of the Canadian Bank of Commerce, Kingston, addressed the meeting of the Hi-Y Club of the Y.M.C.A. on Friday evening last on the subject of banking as a life work.

J. L. Buchan, manager of the Bank of Commerce at Sarnia for 17 years past, is to be transferred to head office at Toronto next month and will be succeeded by W. T. Gerald, of Fredericton, N.B.

J. B. Sandy, manager of the Bank of Toronto, Dorchester, Ont., and Mrs. Sandy returned last week from abroad, on the S.S. Laurentic, after visiting France, Belgium, Holland, England and Scotland.

Raymond A. Simpson, son of W. M. Simpson, manager of the Royal Bank at Lunenburg, won first prize for his essay on reforestation in Canada. He is 15 years of age, and has a brilliant scholastic record.

The Bank of Montreal announces the opening of two additional branches in the Provinces of Saskatchewan—at Arborville, under the management of N. Pearce, and at Fir Mountain, under the management of F. J. L. Battle.

A. E. Brundrett, manager of the Seigneurs Street, Montreal, branch of the Royal Bank of Canada, has been appointed manager of the branch of the Royal Bank at Kitchener in succession to the late Fred H. Boehmer.

It is now definitely decided to start this summer upon the construction of a branch bank building on the northwest corner of Danforth Avenue and Danforth Road, Scarboro Township, Toronto, for the Dominion Bank of Canada.

D. M. MacGregor, who has been for a number of years manager of the Royal Bank branch of Wheatley, Ontario, has resigned to take a position with Robert Selkirk, of Leamington. Mr. Rawlings, of Leamington, succeeds Mr. MacGregor.

Lieut.-Col. Baptist L. Johnston, who for over twenty years has been with the Dominion Bank latterly as supervisor, Foreign Department, head office, has resigned from that institution to act as honorary secretary of the National Stock Exchange.

The Dickie Construction Company, Limited, Toronto, has been awarded the bulk contract for the erection of a substantial addition to the branch of the Dominion Bank at 75 King Street, Chatham. Work will get under way at an early date.

William Dunn, inspector with the Royal Bank of Canada, who has been attached to the supervisor's department in Regina since August, 1925, is receiving promotion in the bank's service. He is being transferred to Montreal where he will be attached to head office.

The death occurred in Hamilton of William Arthur Hebblewhite. Deceased was born in Simcoe, Ont., 65 years ago, and had lived in Hamilton for about eight months. He had resided in Winnipeg for 22 years, and had been manager of the Imperial Bank for the past 27 years.

Construction of a branch bank building at the corner of St. Valier and Marie de L'Incarnation, Quebec, will probably be proceeded with very soon for the Banque Canadienne Nationale. There will be an apartment over the banking offices. Cost will be about $15,000.

E. L. Stewart-Patterson, many years a resident of Sherbrooke as superintendent of branches of the Canadian Bank of Commerce, and well known in banking circles throughout Canada, has just retired and with his family has removed to Toronto where he has taken up residence at 7 Ancroft Place, Sherbourne Street.

Enquiries at the head office of the Imperial Bank, Toronto, elicited the information that the new branch of that bank in the old Union Bank building will be ready for its opening some time between June 15 and July 1. This is also a little later than was originally anticipated. It will be known as the Bay St. branch.

Tenders will probably be called shortly by the construction service department of the Banque Canadienne Nationale, for the erection of a branch bank at the corner of St. Catherine Street East and St. Theodore Street. Plans for the prosed building, the estimated cost of which is $35,000, call for a three-storey building. The upper floors of the building will contain four flats.

A. J. Sheard, manager of the Royal Bank of Canada, Port Arthur, was the speaker at the final session for the season of the Women's Canadian Club. Mr. Sheard's topic was "Investments for Women," and he kept the keen attention of his audience for over thirty minutes. He stated that it was a very extensive subject on which to speak, and on this account could not go into detail but commenced with a list of desirable investments and enlarged upon each.

Marking his retirement, after eighteen years in the capacity of manager of the Guelph branch of the Royal Bank of Canada, R. L. Torrance was presented with a beautiful inlaid brass tray and cigar box by the members of the staff. Captain A. C. F. Winslow, accountant of the branch, presented the gifts, expressing to Mr. Torrance the regrets of the staff on his retirement.

Harry Harvey, who succeeds Mr. Torrance in the managership, has taken over the duties of the office, although the former manager has not yet ceased active work.

In a week or ten days a final choice will likely be made of the several plans moved for the new Canadian Bank of Commerce head office building in Toronto.

"Headquarters of the bank, and also the King St. branch, will remain in their present location until we are ready to commence actual wrecking operations," an official stated. "Only then shall we remove to our temporary quarter in the Ogilvie building, which will be ready for us on July 1.

No speculation was hazarded as to the actual date of commencement of wrecking operations for the new buildinb, but it was gathered that this event was not likely to materialize for some months yet.

"It is impossible for any business man to realize his opportunities to the full without the aid of bank credit," writes John H. Puelicher, president of the bank of Marshall & Ilsley, Milwaukee, in Forbes Magazine.

"Progressive business can no more be conducted wholly with cash than a steam engine can be operated wholly with water.

"A business man may gain a certain measure of success without bank credit—but he can without question gain greater success under the same conditions with an intelligent use of credit. Therefore, every young business man should master a true understanding of the proper use of bank credit.

"But it must not be forgotten that credit has the power both to help and to destroy unless its use is understood. Credit causes many men to win great business success. Credit is the cause of many a man's failure in business. This apparently contradictory statement is not inconsistent. It merely emphasizes the difference between the use and the misuse of credit. Some men use too little credit, some too much, and again some simply use it unwisely.

"I have no hesitancy in saying that almost any business man who is conducting a successful business without bank credit could very likely conduct a much more successful business with the aid of bank credit. This is not to imply that every business man or every business needs or is entitled to bank credit, but many a man because he lacks vision or courage is overlooking an opportunity to broaden the success of his business simply because he has not gone to his neighboring banker and discussed his affairs with him."

The Royal Bank Magazine tells this one:

That banks are branching out in their activities is demonstrated by the following telephone conversation which occurred recently at one of our branches.

"Hello—the manager there?"

"No, he's out at present; is there anything I can do for you?"

"Well, let me speak to the production manager."

"I beg your pardon?"

"Let me talk to the production manager."

"This is The Royal Bank, you know."

"Yes, I know."

"Well, could you give me this production manager's name?"

"No, I can't read it but he signs Pro. Manager."

This is the sort of thing that results from these economists talking about the banks being "manufacturers of credit."

A suggestion that the banks should convey pay-roll money to their customers and should provide protection and safeguard them or use their armoured cars did not appeal to several officials of Toronto banks interviewed by the Toronto Telegram.

"It would require a whole flock of armoured cars, which cost $10,000 each, besides a large number of guards and men to man them," said Graeme G. Adam, manager of the Bank of Montreal. "It would be too costly and could not be entertained."

Mr. Adam added that all banks have rules which stipulate armoured cars are not to be used for delivering customers' withdrawals except in special cases. He said that such police work was not a bank's responsibility.

He believes if firms always sent four guards with their cashiers to the bank, all possibility of a successful hold-up, like the Reid and Brown affair last Saturday, would be impossible.

J. A. McLeod of the Bank of Nova Scotia was equally emphatic that banks could not provide such service. "Once it was started, there is no telling where it would end. It hardly could be said to come within the province of banking. I do not think the scheme feasible because our armoured cars have already all they can do handling our own business. They are on duty from 8.30 a.m. until 6 p.m. I know our bank could not handle even a small number of payrolls with our present facilities."

W. G. Moore of the Imperial Bank did not think banks should be expected to furnish any such protection for their customers. He pointed out that any companies desiring to make big withdrawals with an armoured car could hire one from a local express company furnishing such service. Mr. Moore said it would be far too expensive to be considered at the present time.

Weekly Bank Clearings

(As compared with same week last year)

Eastern Cities	May 12, 1927	May 10, 1928
Halifax	$ 3,171,363	$ 4,378,911
St. John	2,737,186	3,799,726
Moncton	888,036	975,324
Sherbrooke	983,284	1,114,974
Quebec	8,648,110	7,912,255
Montreal	141,783,999	196,891,092
Ottawa	8,038,735	10,704,860
Kingston	851,475	1,190,487
Peterboro	1,022,752	961,825
Toronto	130,005,922	167,870,115
Hamilton	6,070,083	6,553,113
Brantford	1,158,387	1,480,574
London	3,116,327	3,932,813
Kitchener	1,195,084	1,569,302
Chatham	851,622	790,126
Windsor	5,05[illegible],635	4,976,599
Sarnia	599,034	761,140

Western Cities	May 12, 1927	May 10, 1928
Winnipeg	$ 51,007,459	$ 68,224,526
Fort William	810,572	1,708,620
Brandon	492,258	582,751
Regina	5,530,459	4,943,382
Moose Jaw	1,114,624	1,257,688
Saskatoon	1,899,908	2,396,144
Prince Albert	407,276	......
Lethbridge	506,369	786,739
Medicine Hat	245,122	452,852
Calgary	6,338,574	10,693,839
Edmonton	4,663,353	6,700,857
New Westminster	897,981	878,777
Vancouver	19,790,810	21,906,122
Victoria	2,458,246	2,470,267

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H. G. Nolan, M.C., M.A.

Sees Fittest Plants Surviving in Milling

Out of a welter of conflicting opinions and evidence as to the state of the winter wheat flour milling industry in Ontario there is gradually emerging in the minds of well-informed observers a general feeling that this branch is reaching a state of stability which it has not known in 15 years or more, says A. H. Barley, Canadian manager, Northwestern Mills. That number of years ago there were at least 400 mills making winter wheat flour (more or less exclusively) in this province. Changing conditions then began to weed out the smaller and less efficient plants, and the process has been going on ever since.

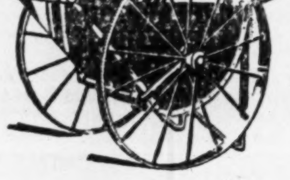
Perhaps the chief of these adverse factors was the rapid increase of hydro-electric power installations in all settled parts of Ontario, with consequent reductions in cost of power to manufacturing plants. At this stage the country miller, who was operating on water-power of his own, began to find that he was no better off, so far as cost of power was concerned, than his neighbor who was using electricity, while at the same time he was losing in other ways. The war covered up one stage of the process of eliminating the smaller and less economically well-founded country milling plants, but at this distance in the post-war period one can easily see what was then happening and is continuing to happen.

In the end it is probable that the winter wheat mills of this province will be reduced to a score or more of modern and highly efficient plants under good management, having cheap power and proper accounting systems. Mills that have no facilities for writing letters or attending to telegrams and cables promptly sooner or later will be down and out, while the survivors will compare with the best of the big spring wheat milling companies in general efficiency and fitness for their job.

It is possible that there may be some amalgamations among this class of mills, which will probably be all to the good so far as overhead costs are concerned. At anyrate, the process described is going on, though its ultimate outcome may not be definitely forecast.

Already a few mills are approximating to these qualifications, and there are no others operating in Canada that are doing as well as these in point of net profits, month by month, the years around.

In the service of industry



Contractors' Equipment

To complete a contract at the lowest cost the equipment used must give long and useful service. The equipment supplied by this Company is simple, rugged and dependable.

We can supp'y concrete mixers in all sizes, from the hand mixer to the paving machine; concrete carts, wheelbarrows, hoists, shovels, brick and concrete block machines, rock crushers, and any other equipment, tools, or supplies that the contractor may require.

The CANADIAN **Fairbanks-Morse** COMPANY Limited
St. John - Quebec - Montreal - Ottawa - Toronto - Windsor - Winnipeg
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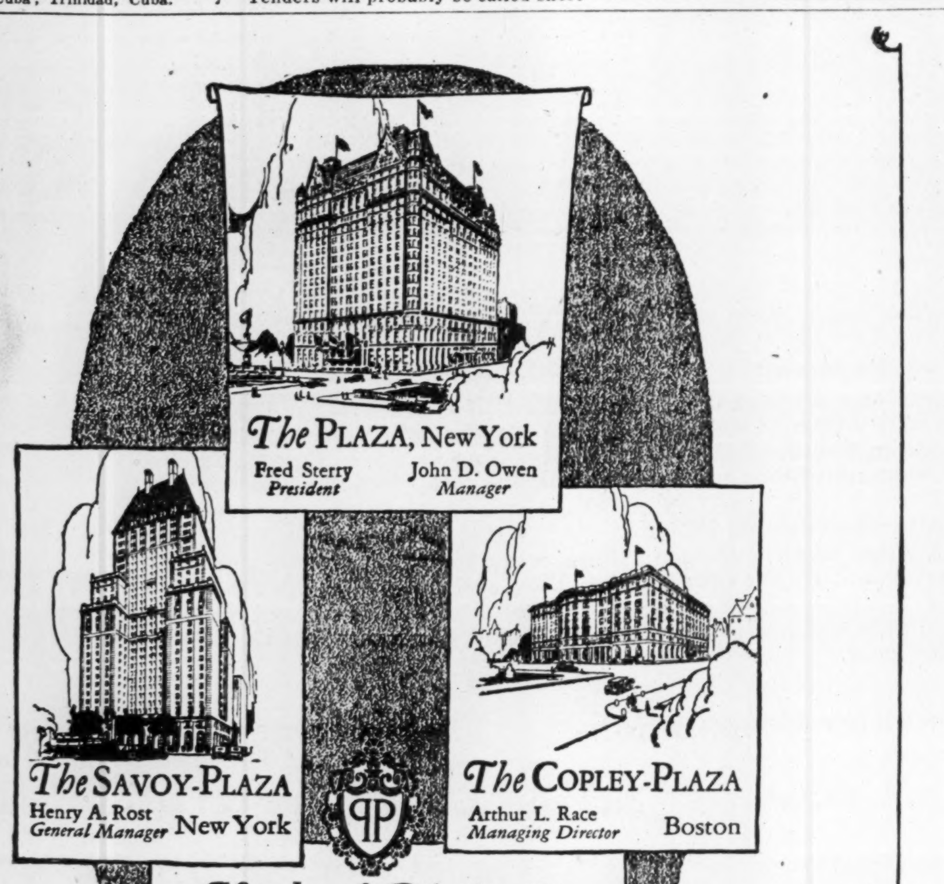
81



Bringing the Saguenay's Forces to Quebec City

THE bringing of the tremendous forces of the mighty Saguenay River right into the heart of Quebec City—a distance of 136 miles—represents the world's longest area over which water-power is transmitted.

This gigantic development brings to Quebec City 100,000 horse-power—which represents the combined effort of over one million men. In addition to this are other tremendous developments within the five-hundred mile area between Three Rivers and Gaspe, such as Shawinigan Falls and the St. Maurice Valley.

Even as the ancient Capital is now the commercial and industrial centre of this vast territory so fabulously rich in water-power and the industries dependent upon it, so is Quebec's only English daily—

Chronicle-Telegraph
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the advertising medium you must use in any campaign covering this territory. It reaches those who control the buying power within its radius—executives, financiers, engineers, purchasing agents—and introduces the products of national advertisers to them. The Chronicle-Telegraph is alone in its field. Its influence is unchallenged.

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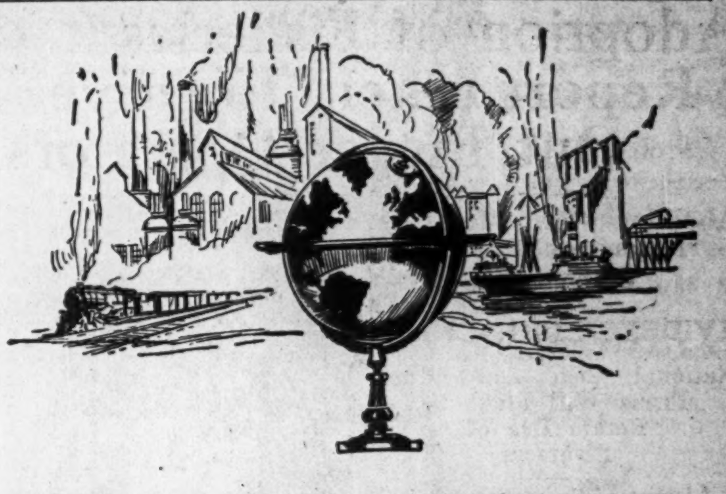

In Canada and Beyond

FROM St. John's, Newfoundland, to Victoria on the Pacific, and from Fort McMurray on the northern fringe of civilization to Buenos Aires in South America — in every market and in the service of every phase of industry and business, the 900 branches of this Bank, which serve 31 different countries, play an important part in fostering the interests of its customers.

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to take advantage of the plan for the association of THE MACKAY SYSTEM with the INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION

Copy of the Plan and Agreement may be secured upon application to J. P. Morgan & Co., or to the Secretary of the Committee, Wm. J. Deegan, 253 Broadway, New York City.

By the Committee:
Clarence H. Mackay
Frank L. Polk
Charles H. Sabin
Lewis L. Clarke
F. G. Osler

Adoption of Fisheries Report Likely to Drive Out Bigger Operators

Abolition of Trawlers Recommended by Commission

EVIDENCE IS LACKING

National Fish and Other Firms Will Fight to Retain Use of Steamers

Adoption of the recommendations of the Royal Commission on fisheries in their entirety, will not be accomplished without considerable opposition from private interests in the Maritimes.

While those interested in the welfare of the industry agree that conditions are not of the best and that various remedial measures should be undertaken, some of the proposals put forward by the Commission are far from satisfying.

Aside from certain recommendations looking to the improvement of marketing conditions, preparations of the fish, and strict enforcement of present regulations in regard to catch and open seasons, the Commission, with one dissenting voice, recommends the prohibition of trawlers from Canadian ports after June, 1929.

Will Lose Heavily

From the standpoint of public investment, there is little interest in the Maritime fish companies. On the other hand such companies as the National Fish Co., Connors Bros., Ltd., Maritime Fish Co., and others, represent a private investment running into several millions of dollars, which would be vitally affected if trawlers were prohibited in fishing operations.

In its investigations the commission found abundant proof of decline in boats, small vessels, equipment and population to the fisheries. Ample evidence was also forthcoming that young men are not entering the fishing industry in large numbers. The majority Commission expressed the opinion that this is due to lack of promise of an adequate livelihood in the fishing industry and reported as follows:

"A remedy must, therefore, be speedily found and the remedy should be prompt and drastic. In default of a remedy, it is not improbable that the fishing villages of the Maritime Provinces may soon be even more seriously depopulated," they assert.

"The problem seems to be largely one of choice between the steam trawler and the shore fishermen. One or the other must remain and one or the other must go. There would seem to be no other alternative."

Prohibit Steam Trawlers

It points to the fact that the shore fishermen are proprietors of the inshore sea. They have made it their own from the earliest days of Canadian coast settlement or colonization. It emphasizes the importance of having around the coast a body of men of the type of the fishermen of the Maritime Provinces. It deals with the increasing quantities of fish sold by steam trawlers and with the very small decrease in that sold by the shore fishermen.

The majority report on steam trawlers declares:

"We believe that one of the remedies for the present situation is the total prohibition of steam trawlers from operating from a Canadian port, landing their catch in Canadian ports, or obtaining in Canadian ports coal or supplies. And we recommend that such legislation be enacted as to make such prohibition effective on and after June 1st, 1929."

Evidence is Incomplete

Evidence against the use of steam trawlers put before the commission, appears to be inconclusive. The chief commissioner, who presented a minority report, points out that the trawler does not destroy the spawn of cod and haddock. Most commercial fishes float in the sea near the surface and are not subject to destruction by the trawler method of fishing, and this would occur under any other method of taking fish. Further evidence available to the commission does not establish any alarming wasteful destruction of immature fish by the trawler, nor does it indicate that the supply of fish is diminishing as a result of such destruction.

The National Fish Co. in defending the steam trawler points out that many of the objections to this method of fishing heard as evidence by the committee had been found untenable or unproved in both majority and minority reports of the Commission. The company further states that should the majority recommendation be carried out it would transfer the fresh fish business from the Maritime Provinces to the United States.

National Fish Statement

The statement issued by the National Fish Co. follows in part:

1. That the trawler is the only method found to date which can secure a regular and steady supply of fresh fish, and it is axiomatic that a market cannot be held unless a steady supply is assured.

2. That the trawler-owning companies in Nova Scotia expend very large sums of money each year within the Province. This money will be absolutely lost to the Province if trawlers are abolished.

3. The trawler-owning companies employ ashore a very large number of people. This labor will be absolutely lost to the Province in the event of the abolition of trawlers.

4. That the shore fishermen, with their present methods, are unable, from the very nature of their methods, to supply a steady and regular demand for fish. They are absolutely dependent upon weather conditions and must always remain at this disadvantage.

5. The Government of Canada has absolutely no jurisdiction on the high seas. It can prohibit Canadian trawlers landing at Canadian ports, but it cannot prohibit French, American, English or Newfoundland trawlers fishing on the Banks. It seems grossly unfair to the vested interests of the Canadian fisheries to place them at a disadvantage in the markets of the world.

6. That the trawler-owning companies, far from being an enemy of the shore fisheries, are very much their friend. According to the figures obtained in the report, 50,000,000 pounds of shore fish are landed annually. Of this 50,000,000 pounds the trawler-operating companies—again according to the figures contained in the report—purchase 36,000,000 pounds at a higher price—again according to the facts contined in the report—than is paid to the fishermen by the shore dealers.

It would appear from the reports that in its desire to establish some motive for the diminishing number of fishermen and the general unsatisfactory conditions of the industry in the Maritimes, the commission has, without apparent justification, picked upon the steam trawler as the source of all trouble.

Memorial to Hudson

The Hudson's Bay Company recently presented this memorial window to the Church of St. Ethelburgo, London. The window is to the memory of Henry Hudson, discoverer of Hudson's Bay, who on April 19, 1607, took his men to this church for communion service before sailing. The window depicts Hudson standing beside the "Half Moon" reading his sailing orders before embarking.

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IMPLEMENT SALE INCREASES 60 P.C. IN SASKATCHEWAN

Mechanization of Western Farms Brings Harvester Companies Business

From Our Own Correspondent

REGINA.—Labor difficulties are not only driving the horse off the farms of Saskatchewan but they are also re-acting greatly to the advantage of the farm implement companies. Witness, this season the spectacle of trainload after trainload of tractors coming to the distributing points of the province, to be sent in units to all quarters. Regina has boasted of being the largest farm implement distributing centre in the world. Its importance as such cannot be gainsaid which adds all the more weight to the assertion of wholesale dealers in the city that the sale of tractors this year exceeds that of last year by as much as 60 per cent. The development is so remarkable as to be a current topic. Predictions of a complete motorisation of the farms of the province such as the more mercurial are led to indulge in, are considered rather far fetched at the moment but on all sides it is conceded that the tractor has gone further this year in crowding out the horse than ever before.

Buy Many "Combines"

There is another machine, too, that is coming into favor and rendering both the human and equine factors in farm work less necessitous. It is the harvester thresher, the "combine" that cuts and threshes at the same time to the infinite advantage of the farmer, cutting his horse and man costs by very appreciable amounts. Last year there were but 550 of these machines in this province. They were an experiment. This year it is estimated that there will be 2,000 of them in use, and if they prove to be as efficient as their manufacturers claim, next year there will be an immense demand for them. And that hardy annual, the harvester excursion from Eastern Canada may be gradually slipped into the discard since there will not then be the demand for hand labor. Gradually the improvement in machinery is solving many of the old time problems of the western farmer and not the least of the benefits of this development is the increased facility with which larger areas can be cropped.

Sign-up for beet acreage has been very encouraging according to the general manager of the Candian Sugar Factories. A total of 5,000 acres has been contracted for and another 2,500 acres is expected from the campaign still under way. Sixteen hundred bags of tested sugar beet seed from Germany and Holland have been brought in to take care of 1928 requirements.

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Dominion Textile Company Limited

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Sir Charles B. Gordon, G.B.E.	Sir Herbert S. Holt
F. G. Daniels	J. P. Black
W. A. Black	Jas. H. Webb

ANNUAL REPORT

For Twelve Months Ended March 31st, 1928

ASSETS		
Land, Buildings and Machinery (Less Depreciation)		$20,910,489.32
Raw Cotton	$1,666,951.24	
Stock Mfd. and in Process	1,518,003.41	
Supplies	316,486.87	
Cash and Bills Receivable	408,943.31	
Open Accounts	2,057,236.85	
Insurance	144,355.94	
Investments (liquid) and Call Loans	4,828,682.26	
TOTAL LIQUID ASSETS	$10,940,659.88	10,940,659.88
		$31,851,149.20

LIABILITIES		
Capital—Common Stock (authorized and issued, 225,000 shares of no par value)	$15,000,000.00	
" —Preferred Stock	1,940,600.00	
Bonds	5,172,000.00	
		$22,112,600.00
Loans	815,731.09	
Raw Cotton Acceptances	536,294.45	
Open Accounts and Deposits (including Reserve for Income Tax)	922,491.91	
Allowance for Wages	275,000.00	
" " Interest on Bonds	25,860.00	
" " Dividend Pref. Stock	33,960.50	
TOTAL LIQUID LIABILITIES	$ 2,609,337.95	2,609,337.95
Reserves (Bad and Doubtful Debts, etc.)		266,552.43
Profit and Loss Account		6,862,658.82
		$31,851,149.20

C. B. GORDON, *President.*
F. G. DANIELS, *Director.*

AUDITORS' CERTIFICATE

We certify that we have audited the financial books and records of the DOMINION TEXTILE COMPANY, LIMITED, for the year ended March 31st, 1928, and that we have obtained all the information and explanations required by us.

In our opinion the above Balance Sheet and Relative Profit and Loss Statement are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company.

(Signed) P. S. ROSS & SONS, Chartered Accountants, Auditors.

Montreal, April 30th, 1928.

DIRECTORS' REPORT

To the Shareholders:

Your Directors are pleased to submit herewith the annual report, covering the operations of the Company for the fiscal year ended 31st March, 1928, together with Balance Sheet and Profit and Loss Account, certified by your Auditors.

Sales for the year amounted to $19,797,901.77, compared with $20,392,708.12 last year.

The gross manufacturing profit was $1,532,487.43, and interest and profit on sale of investments $371,345.79. The surplus after paying interest on bonds and dividends on Preferred and Common Stocks amounted to $332,671.22, which was carried forward to the credit of Profit and Loss Account.

We regret to have to record the death, during the year, of Mr. C. R. Hosmer, who was for twenty years a Director of your Company. Always a tower of strength, greatly esteemed and respected by all, his loss will be deeply felt.

The additions to the Print Works, referred to at the last Annual Meeting, have been carried out. Twenty printing machines are now installed, with space for additional machines. Practically all the new complementary machinery is in place and operating, and the balance of the machinery is being relocated to conform with the new plans and routing of cloth through process. This plant will now bleach, dye, print and finish any class of cotton, silk and artificial silk cloths up to sixty inches wide.

During the first six months of the year all your plants ran to capacity, but, owing to trade conditions and importations, the production during the last six months was reduced to between 75% and 50%, which latter is the basis of operation at present.

During the year the Tariff Advisory Board reviewed the conditions in the cotton industry in Canada. We find it difficult to reconcile the facts laid before the Board with the recent tariff submitted by the Minister of Finance. The products of this Company were given a reduction of from 2½% to 7½% under the General Tariff in addition to a number of reductions in the already inadequate Preferential Tariff.

Your Directors wish to place on record their appreciation of the loyal and efficient services rendered during the year by the members of the Staff and Employees of the Company.

Respectfully submitted,

C. B. GORDON,
President.

PROFIT AND LOSS ACCOUNT

For Twelve Months Ended 31st March, 1928

March 31st, 1928—		March 31st, 1927—	
Interest on Bonds	$ 310,320.00	Balance at Credit	$6,529,987.60
Dividend—Preferred Stock	135,842.00	March 31st, 1928—	
" —Common Stock	1,125,000.00	Manufacturing Profit	1,532,487.43
Balance at Credit	6,862,658.82	Interest and Profit on Sale Investments	371,345.79
	$8,433,820.82		$8,433,820.82

Audited and Verified.
P. S. ROSS & SONS,
Chartered Accountants.
Montreal, April 30th, 1928.

C. B. GORDON, President.
F. G. DANIELS, Director

Quebec Bank Group Reorganize Trust Co.

Directors of la Banque Canadienne Nationale with the co-operation of other Quebec Province citizens, have reorganized the General Trust of Canada, which has obtained amendments to its charter from the Quebec Legislature at its last session. The company will act as administrator, executor, trustee, liquidator and in any other financial and fiduciary capacity.

The General Trust of Canada has an authorized capital of $2,005,000, consisting of 20,000 preferred shares of $100 par value, and 1,000 common shares of $5 par value. The preferred shares will be entitled to a non-cumulative dividend of 7 per cent., and the common stock, to a non-cumulative dividend of 5 per cent. The preferred shareholders will receive in addition the profits which might be distributed by the Board of Directors. An amount of $1,100,000 of preferred shares and all the common stock have been issued and subscribed.

The head office of the General Trust of Canada is at 112 St. James Street, Montreal, and the following board of directors has been elected: Hon. F. L. Beique, president; Hon. J. M. Wilson and D. O. L'Esperance, vice-presidents; L. J. Adjutor Amyot, Jos. Beaubien, Hon. N. A. Belcourt, Armand Chaput, A. N. Drolet, Sir J. Geo. Garneau, Ernest Guimont, Mendoza Langlois, Chas. Laurendeau, K.C., Beaudry Leman, Hon. J. Nicol, Hon. J. E. Perrault, Hon. Donat Raymond, Leo. G. Ryan, Hon. Geo. A. Simard, C. E. Taschereau, M.P., N. A. Timmins, J. A. Vaillancourt.

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
of TORONTO and
CLARKSON, McDONALD, CURRIE & COMPANY
of MONTREAL and QUEBEC
Chartered Accountants

E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 Wellington Street West TORONTO

CANADIAN GUARANTY TRUST CO.
Acts as Executor, Administrator, Trustee, Guardian, Agent and in any other Fiduciary capacity.
Official Administrator for the Northern Judicial District in Manitoba and for the Swift Current Judicial District in Saskatchewan.
Head Office: BRANDON, MAN. Branch Office: Swift Current, Sask. JOHN R. LITTLE, Managing Director

NEW ISSUE

St. Lawrence Paper Mills Company

limited

$19,000,000
6% Cumulative Preferred Stock
190,000 Shares of Common Stock
Common Stock Subscription Warrants

Offered in Units represented by partly paid Allotment Certificates. Each unit comprises one share of 6% Preferred Stock (par value $100), one-half paid; one share of Common Stock without par value, fully paid; and a Common Stock subscription warrant entitling the holder, after payment of the balance of the Allotment Certificate price, to subscribe, on or before April 15, 1933, for one-half share of Common Stock at the rate of $40 a share.

A simultaneous issue of these securities is being made in the United States, Great Britain and on the Continent.

The Preferred Stock is to be preferred over the Common Shares as to cumulative cash dividends at the rate of 6% per annum and as to assets in the event of voluntary liquidation to the extent of $105 a share and accrued dividends, and in the event of involuntary liquidation to the extent of $100 a share and accrued dividends. Dividends are to be payable April 15, July 15, October 15 and January 15, cumulative from April 15, 1928, at par at any branch of the Bank of Montreal in Canada. The said shares are redeemable as a whole or in part at any time on thirty days' notice at $105 a share and accrued dividends. If four or more quarterly dividends, consecutive or not, on the preferred stock shall be in arrears, then until all such arrears have been paid and the current quarterly dividend declared, the preferred stockholders are entitled as a class to elect one less than a majority of the directors, and to have one vote for each fully paid share in respect of all other matters.

The certificates for the fully-paid Preferred Stock and Common Stock and the warrants represented by the Allotment Certificates are to be delivered to the respective holders of the Allotment Certificates on surrender thereof, upon payment of the balance of the Allotment Certificate price or in any event not later than December 31, 1929.

Allotment Certificates and preferred stock, when delivered, transferable in New York City, Boston, Montreal and Toronto. Common Stock transferable in New York City, Montreal and Toronto. Dividends on Allotment Certificates and Preferred Stock registered in New York City or Boston payable in United States currency at par of exchange.

The Company has agreed to make application in due course to list the Allotment Certificates, the Preferred Stock when delivered and the Common Stock on the New York, Montreal and Toronto Stock Exchanges.

CAPITALIZATION—The capitalization of St. Lawrence Paper Mills Company Limited upon completion of the present financing will be as follows:—

	Authorized	Outstanding
6% Cumulative Preferred Stock ($100 par value)	$19,000,000	$9,500,000*
Common Stock (no par value)	1,000,000 shares**	500,000 shares

*$9,500,000 to be fully paid and outstanding immediately; after October 15, 1928, $14,250,000 will be fully paid and outstanding; and after the final call, if made, $19,000,000.

**Of the 500,000 shares of Common Stock authorized but unissued, 95,000 shares are reserved against the Allotment Certificate subscription warrants and 105,000 shares are reserved against other subscription warrants identical in form.

The following information has been summarized by Mr. Ernest Rossiter, President, St. Lawrence Paper Mills Company Limited from his letter dated May 9, 1928, and is subject to the more complete information contained therein:

THE COMPANY—St. Lawrence Paper Mills Company Limited has been organized under the laws of the Dominion of Canada and has acquired the entire business and assets and has assumed all of the liabilities, except funded debt which is being retired, of St. Lawrence Paper Mills Limited; the latter company having been successfully engaged in the manufacture and sale of newsprint since June, 1923.

The plant, located at Three Rivers, Que., consists of a four-machine balanced newsprint paper mill of 300 tons daily rated capacity (recently increased from 150 tons), advantageously situated with respect to pulpwood resources, power, water supply, labour and transportation both by water and rail.

The entire output of the mill for 1928 has been sold under contract to 41 publishers located throughout the United States and Canada, and a contract has recently been entered into for the sale of 45,000 tons of newsprint a year for ten years beginning in 1929. In order to handle this business the company proposes to install two additional newsprint machines with a combined rated capacity of 150 tons, increasing the capacity to 450 tons a day, or about 135,000 tons a year.

The Company believes that sales will justify a further increase of capacity before 1930, and in that event it proposes to install two additional newsprint machines, thus further increasing the capacity to 600 tons a day or 180,000 tons a year.

The Company's present pulpwood resources as estimated by Mr. R. O. Sweezey, Forestry Engineer, total approximately 9,000,000 cords, which, with pulpwood contracted for, will be sufficient to last for at least 40 years operating at the full capacity of 180,000 tons a year.

MANAGEMENT—Mr. N. A. Timmins, president of the predecessor company, will be chairman of the board of the new company. Mr. Ernest Rossiter, vice-president and general manager of the old company, will be president of the new company. These gentlemen, together with the other executives who have been responsible for the success of the old company, will continue in the management of the new. Mr. N. A. Timmins and Mr. Ernest Rossiter who owned substantial amounts of the Preferred and Common Stocks of the predecessor company, have invested in the Common Stock of the new Company an amount in excess of the cash distributable upon their shares in the predecessor Company.

CALLS ON ALLOTMENT CERTIFICATES—The Allotment Certificates upon issue will be partly paid. The balance of $50 in respect of each unit is payable in two installments, $25 on October 15, 1928, and $25, plus accrued dividend, on call by the directors on sixty days' notice not earlier than April 1, 1929, and not later than December 31, 1929.

On payment of the last installment of $25 per unit, or if the said last installment shall not have been called on or before December 31, 1929, the fully paid Preferred Shares (being three-quarters of one preferred share per unit, in case the last installment shall not have been called), all the Common Shares, fully paid, and all the Common Stock subscription warrants represented by each unit will be distributed by The Royal Trust Company, the Depositary thereof, to the respective holders of the Allotment Certificates, in accordance with their rights thereunder.

Arrangements will be made for the adjustment of fractional shares.

Dividends on the fully paid Preferred Shares deposited as aforesaid will be paid to the holders of the Allotment Certificates.

PURPOSE OF ISSUE—The proceeds of the first payment in respect of the Allotment Certificates, the proceeds of 180,000 Common Shares purchased by certain officers of the company above referred to and the proceeds of 130,000 Common Shares which have been offered for subscription, are to be used by the Company for the acquisition of the business and undertaking of the predecessor Company, to provide funds for development of timber resources and for other corporate purposes. The installment of $25 per unit payable on October 15, 1928, will be used by the Company to pay for the installation of two additional newsprint machines. The last installment of $25 per unit in respect of Allotment Certificates, will be called only in case the Company has determined to install the second two additional newsprint machines, to increase the capacity to 180,000 tons per year.

EARNINGS—Net earnings of St. Lawrence Paper Mills Limited (predecessor company) after provision for all taxes have been as follows:—

	Before Depreciation	After Depreciation
For the year ended June 30, 1927	$1,025,388	$610,425
For the year ended June 30, 1928 (Nine months actual and three months estimated)	1,230,000	750,000

Annual dividend on $9,500,000 new preference shares to be immediately outstanding, $570,000

The recent increase in the predecessor company's capacity from 150 tons per day to 300 tons was not fully reflected in the earnings until the first three months of 1928.

Based on the sale of the Company's output at current prices for newsprint and on operating costs as estimated by Mr. Hardy S. Ferguson, consulting engineer, the management estimates that net profits after all charges including depreciation and depletion, and after deducting all taxes, on the basis of the proposed capitalization of the new company, will be as follows:

Estimated sales (tons)	Net profit available for dividends	Annual Dividend requirement on preferred stock with $14,250,000 outstanding	Annual Dividend requirement on preferred stock with $19,000,000 outstanding	Times such dividend earned
135,000 (6 machines)	$1,857,000	$855,000	....	2.17
180,000 (8 machines)	2,563,000	....	$1,140,000	2.25

DIRECTORS—The following gentlemen, among others, have consented to act as Directors:—

N. A. Timmins, Pres., Hollinger Consolidated Gold Mines Ltd.
W. M. Chadbourne, Chairman, Board of Directors of Abercrombie and Fitch Company
Sir Charles Gordon, G.B.E., President, Bank of Montreal
Lt.-Col. Herbert Molson, C.M.G., M.C., Director, Bank of Montreal
E. R. Wood, Vice-Pres., The Canadian Bank of Commerce
F. E. Meredith, K.C., Director, Bank of Montreal
A. K. Cameron, Director, The Eastern Trust Co.

We offer these Allotment Certificates for delivery on or about May 21, 1928, in the form of temporary Allotment Certificates.

Terms of Payment:

$78 per unit and accrued dividend on one-half share Preferred Stock on delivery of Allotment Certificates. This amount provides for payment in full of one-half share of the Preferred Stock, one share of Common Stock and the Common Stock subscription warrant comprised in unit described above.

$25 per unit on October 15, 1928.

$25 per unit and accrued dividend if and when called by directors on sixty days' notice not earlier than April 1, 1929, and not later than December 31, 1929.

Total cost: $128 and accrued preferred dividend per unit when all installments are paid.

Dominion Securities Corporation Limited
Flood, Barnes & Company Limited
R. A. Daly & Co. Limited
McLeod, Young, Weir & Co. Limited
Matthews & Company Limited
Bell, Gouinlock & Company
Hanson Bros. Incorporated
Duncanson, White & Co.
Fry, Mills, Spence & Co.
René T. Leclerc Incorporated

May 11, 1928.

The statements herein have been accepted by us as accurate but are in no event to be construed as representations by us.

CANADIAN STOCK AND BOND QUOTATIONS

Stock Market Record

WEEK ENDING MAY 15

	Div. Rate	Yield May 14	High for wk.	Low for wk.	Close May 15	Close May 8	Sales for wk.	Range 1928 High	Range 1928 Low
Banks—									
Commerce	12+1	4.22	312	306	307	310	233	335	277
Dominion	12+1	4.67	278	275	277	277	81	280	261
Can. Nationale	10	4.87	205	202	204	203	85	220	185
Imperial	12+1	5.00	265	258	258	264	73	265	245
Montreal	12+2	3.59	391	383	385	391	246	420	334
Nova Scotia	16	3.95	406	404	405	405	115	410	375
Royal	12+2	3.42	412	400	406½	411	661	440	336
Standard	12	4.80	250	248	250	250	266	256	236
Toronto	12+1	4.19	312	300	310	315	226	340	280

Paper— [illegible]

Steel and Steel Industries— [illegible]

Milling, Foodstuffs and Merchandising— [illegible]

Utilities— [illegible]

Transportation— [illegible]

Tractions— [illegible]

Textiles— [illegible]

General Industries— [illegible]

Beverages— [illegible]

Oil— [illegible]

Trust and Loan— [illegible]

CURB AND UNLISTED MARKETS

[illegible]

†Arrears.
xQuotations for 1927. No sales recorded in 1928 to date.

Bond Movements of the Week

Week Ending May 15

Bonds	Int. Rate	Due	Yield	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos, g. m.	6	1956	6.07	98	88	100	97½	98¾	98	99	..
Can. Pr. & Pap. deb.	5	1956	5.08	..	..	99½	96	..	..	98¾	98⅝
Dom. Iron	5	1929	7.64	93¾	69	98⅛	94	97	..	97½	..
Mexican L. & Pr.	5	1940	6.48	80⅛	68⅝	87¾	87¾	88	..	87¾	..
Montreal Trams A	5	1955	5.00	100	94	101	99⅝	100⅛	99⅞	100	..
Do. 1st mtge.	5	1941	4.89	101	96¾	103¼	101	101¾	101	101	..
N.S. Steel	5	1959	6.88	70	64½	76	75⅜	78	75	76	..
Quebec Rly.	5	1939	4.90	101½	96	104¾	100¾	104½	104	100¾	..
War Loan	5	1931	4.30	102.70	101.10	102.85	101.80	102.10	102.05	101.85	101.80
Do.	5	1937	4.19	106.75	102.95	106.70	104.65	106.05	105.75	106.00	105.75
Victory Loan	5½	1933	4.37	106.55	103.35	106.50	104.65	104.70	104.65	105.00	104.65
Do.	5½	1934	4.68	105.55	102.80	105.85	103.90	104.35	104.00	104.25	103.90
Do.	5½	1937	4.15	111.15	106.85	110.95	109.65	110.10	109.90	110.15	109.65
Do., Refund	5	1928	5.00	101.50	99.75	100.60	100.00	100.15	100.00	100.15	100.00
Do.	4½	1940	4.28	103.40	96.50	102.90	101.50	101.95	101.60	102.00	101.50
Do.	5	1943	4.47	106.40	102.30	106.10	105.05	105.55	105.40	105.45	105.30
Do.	4½	1944	4.26	103.00	96.90	103.05	101.85	102.20	101.95	102.35	101.85
Do.	4½	1946	4.30	102.70	96.70	103.15	102.05	102.70	102.60	102.45	102.20
Do. Renewal	5½	1932	4.55	104.10	101.85	105.80	103.00	103.40	103.05	103.20	103.00

Unlisted Stocks

These prices are mostly as at May 15, and while obtained from reliable sources, cannot be guaranteed.

Industrial Stocks [illegible]

Insurance [illegible]

Mortgage, Loan, Etc. [illegible]

Club Shares [illegible]

Recent London Quotations [illegible]

Recent Vancouver Quotations [illegible]

Recent Winnipeg Quotations [illegible]

Unlisted Bonds

Bonds	Bid	Asked
[illegible]		
Ont. Pulp & Paper, 6s, 1948	108	110
Ottawa Hull Pr., 6s, 1948	108	110
Ottawa L. H. & P., 6s, 1953	104	105
Ottawa Mont. Pr., 6½s, 1949	105	106
Ottawa Trac., 5½s, 1955	104¾	105¼
Ottawa River Pr., 6½s, 1953	102¾	104
Port Alfred P. & P., 5½s, 1957	104½	105¼
Price Bros., 6s, 1943	99	100
Prov. Lt. Pr., 5s, 1946	106⅛	107
Rio Tramways, 5s, 1935	101¼	102½
Sao Paulo Tram., 5s, 1929	97½	98⅜
St. Lawrence Paper, 6s, 1946	99⅜	100½
St. Maurice Valley, 5½s, 1957	102½	103½
St. Maurice Pr., 6½s, 1953	95⅝	100½
Shawinigan W.&P., 4½s, 1967	106½	108
Simpson's, Ltd., 6½s, 1945	97¾	98¾
Southern Can. Pr., 5s, 1955	104¼	104½
Spanish River P. & P., 8s, 1941	101¼	102
West Kootenay Pr., 6s, 1943	105¾	106½
	101¼	105

NEW YORK CURB

	Close May 2	Close May 9	Close May 16
Can. Marconi	7 3-8	7 1-2	7
Dom. Stores	129 3-4	130	136 1-2
Ford Canada	570	575	635
Imp. Oil Can.	64 7-8	68 1-2	71
Inter. Pete	41 5-8	42 1-8	42 3-4
Inter. Util. "A"	49 3-4	50	48 1-2
Do., "B"	13 5-8	14	13 7-8
Nipissing	4 1-4	4 1-2	4 1-4
Noranda	20 3-4	20 1-8	22 7-8
Premier Gold	2 1-2	2 3-8	....

Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of May 16	$108.7	$103.6
Week of May 9	108.1	104.0
Month of May, 1927	75.9	70.9
9 Bank Stocks		
Week of May 16	$314	$309
Week of May 9	316	309
Month of May, 1927	244	238
10 Public Utilities		
Week of May 16	$114	$109
Week of May 9	113	107
Month of May, 1927	90	85

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	1	5	3	9
Paper	6	6	7	19
Steel	18	8	16	42
Foodstuffs	18	18	23	59
Utilities	13	5	13	31
Tractions	5	2	7	14
Textiles	6	3	10	19
Industrials	39	29	40	108
Total	106	76	119	301

Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low (Premium)	Last year High (Discount)	Last year Low (Discount)
May 10	3-64	1-32	3-64	1-16
May 11	1-32	1-32	1-32	3-64
May 12	1-16	3-64	3-64	3-64
May 14	3-32	5-64	3-64	1-16
May 15	7-64	5-64	3-64	1-16
May 16	9-64	5-64	[illegible]	1-16

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
May 10	4.87 15-16	3.93 5-8	5.27 1-8
May 11	4.87 11-16	3.93 5-16	5.26 3-4
May 12	4.87 13-16	3.93 7-16	5.26 3-4
May 14	4.87 13-16	3.93 3-8	5.26 3-4
May 15	4.87 13-16	3.93 3-8	5.26 3-4
May 16	4.87 15-16	3.93 1-2	5.26 3-4

FOREIGN EXCHANGE

Par		May 9	May 16
18.90	Italian	5.27	5.28
23.82	German	23.93	23.96
13.90	Belgian	13.98	13.99
84.85	Japanese	46.70	46.70

Dividends Declared

	Rate	Date	Record
East. Theatres, c.	50c.	June 1	Apr. 30
Royal Bank	3%	June 1	Apr. 30
Pressed Metals, c.	75c+25c	July 16	June 25
Do., pref	1¾%	Oct. 1	Sept. 11
Do., pref.	1¾%	July 2	June 11
Do., pref.	1¾%	Jan. 1, '29	Dec. 12
Bank of Toronto	3%	June 1	May 15
McIntyre Mines	5%	June 1	May 1
Bk. of Commerce	3%	June 1	May 16
Bk. of Montreal	3%	June 1	Apr. 30
H. Simon & Sons, pfd.	$1.41	June 1	May 15
Ham. Dairies, pfd	1¾%	June 1	May 25
Hollinger	2%	May 19	May 2
Belding Cort. pref.	1¾%	June 15	May 31

[illegible]

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Inquiries invited
References given.
Sterling Appraisal Co., Limited
9 Wellington East, Toronto
Phone Elgin 5244

Investment Suggestions

Canadian Light & Power Co.	5's	1949	to yield	5.25%
Canada Atlantic Ry.	4's	1955	" "	4.75%
Canada Foundries & Forgings	6's	1942	" "	6.00%
Donnacona Paper Co. (Debentures)	6's	1948	" "	5.90%
Arnold Bros.	6's	1947	" "	6.05%
St. Catherine Improvement Co.	6½'s	1947	" "	6.50%
Drummond Street Realty	6½'s	1942	" "	6.50%

The above are excellent long-term securities suitable for the re-investment of proceeds from presently maturing Bonds.
BARRETT & WOOD, LIMITED
Investment Securities
120 St. James Street, Montreal
Phone MAin 7000

Saskatchewan General Trusts Corporation LIMITED
HEAD OFFICE: REGINA, SASK.
Subscribed Capital - - - $1,000,000.00
EXECUTOR — ADMINISTRATOR — ASSIGNEE — TRUSTEE
Special attention given Mortgage Investments, Collections, Management of Properties for Absentees and all other agency business.
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Jno. C. Poyser, J. A. M. Patrick, K.C., W. T. Mollard, Robt. ...
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Mills at Montreal, Brantford, Keewatin, Portage la Prairie, Medicine Hat
CAPACITY, 30,000 BARRELS DAILY
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Vice-President and Gen'l Manager: WM. W. HUTCHISON
Directors: R. M. BALLANTYNE, TANCREDE BIENVENU, HON. SIR LOMER GOUIN, K.C.M.G., GEO. V. HASTINGS, WALTER MOLSON, R. W. REFORD, ABNER KINGMAN, J. K. L. ROSS, N. J. BREEN, HUGH MacKAY, K.C.
Secretary, M. H. HUTCHISON — Treasurer, T. F. McNALLY
Asst. Treasurer, A. C. McMILLAN

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New P. Burns Financing Aggregates Large Sum

Bonds and Stock Totalling $13,900,000 Will be Issued to Cover Recent Purchase—Activities of Company Are Now Many and Diversified

Bonds and preferred stock of Burns Co., Ltd., will be offered by Dominion Securities Corp., proceeds from which will be used to finance the purchase of P. Burns and Co., the sale of which was announced last week.

It is understood that the financing will take the form of $7,000,000 first mortgage 5½ per cent. twenty-year bonds. In addition, there will be an issue of $6,900,000, 6 per cent. preferred stock. The latter will likely carry warrants for the purchase of common stock, of which 150,000 will be issued.

While there will be no change in management, the change in control will probably result in the extension of the varied interests of the company at home and abroad. In this connection it is more than probable that the company's business will be considerably extended in the Far East.

Incidentally it might be mentioned that trade with China and Japan has for many years past been keenly cultivated and notwithstanding the long unsettled state of affairs in China export trade has shown substantial increases.

Started in 1890

The business of Burns and Co. was founded in Calgary in 1890, primarily for the purpose of providing meat supplies to camps in the West Kootenay mining district. The first abbatoir was erected in 1897, followed by another two years later in Vancouver. By 1909 the packing house facilities in Vancouver had been extended and improved and cold storage plants had been erected in Calgary, Vancouver, Nelson and Revelstoke. Later on, the company acquired or built packing houses in Edmonton, Prince Albert, Regina and Winnipeg.

In addition, branch warehouses with cold storage facilities are located at Kenora, Fort William, Moose Jaw, Lethbridge, Nelson, Prince Rupert and Victoria.

Operate 92 Stores

The company has been a pioneer in the retail chain store, now having 92 of these stores, located chiefly in Alberta, British Columbia and the Yukon. These stores constitute a valuable outlet for large quantities of the company's products.

Some 12 years ago the company entered the creamery business in a small way. This turned out to be a profitable move and since then a large number of creameries and cheese factories have been acquired or constructed. Furthermore, Burns Co. has 17 wholesale fruit depots and a number of ice cream and milk distributing plants.

There will be no change in management.

"TEXTILE" LAYS OFF 30% OF EMPLOYEES

F. G. Daniels Elected President—Unsatisfactory Conditions Still Prevail

From Our Own Correspondent

MONTREAL.—At the annual general meeting of the shareholders of the Dominion Textile Company, F. G. Daniels, the newly elected president, stated that the decline of some $600,000 in volume of sales was due to the partial disorganization of the usual distributing channels in the trade as a result of efforts of American manufacturers and jobbers to make sales direct to Canadian retailers.

Mr. Daniels declared that for some time plants had been running three days a week. Recently a change was effected. About one-third of the operatives were laid off and the rest of them are being employed full time. He hoped that this condition will not continue, and he noted a slight improvement in conditions during the past ten days.

Mr. Daniels gave an outline of the extent and character of the various mills of the company. His remarks indicated that the company is in a position to handle almost every class of goods with advantage. He declared that more changes have been made in processing of cotton in the past three years than in the preceding fifty. As a result of this, and the fact that large sums were spent in keeping the plant in best of condition, the company is now in a position to compete for business.

At a meeting of the directors, following the annual meeting, F. G. Daniels, managing director, was elected president of the company, and Sir Charles Gordon, the former president, became chairman of the board. Sir Charles, who became president of the Bank of Montreal some months ago, retired from the office of president of the Textile Company owing to the press of other duties, but he will continue to take an active interest in the affairs of the company in his new position. Sir Vincent Meredith, Bart., was elected a director of the company to fill the vacancy created by the death of C. R. Hosmer.

TRUST AND LOAN STOCKS COMBINE CHARACTERISTICS

(Continued from page 11)

led with the fact that the average yield on these stocks under present conditions is comparatively high, has led one observer to conclude that they form an ideal background for an investor who is building a future income by means of common-stock purchases and who does not wish to tie up a considerable proportion of his funds in preferred stock, which will appreciate little if at all, or in bonds.

Several Sources of Revenue

Safety, high stability, yield and appreciation are to be found in a number of the loan stocks. There has been 71 per cent. appreciation in the value of the stock of one trust company in the last four years, without including appreciation secured by means of stock rights. Several other trust and loan stocks show appreciation almost as great.

Trust companies, besides being lenders on first mortgages, also have several other sources of revenue. Over a term of years, for instance, the trust company will be named the executor of many estates, large and small, and eventually the administration of these estates will be in fees which in the aggregate will be substantial. A trust company also acts as receiver, transfer agent, registrar, and general financial agent. A number of other functions are permitted by law and are exercised profitably.

Get Broader Charters

The broader powers of the trust company, as compared with the loan company, have led a number of the loan companies in recent years to obtain trust company charters. While remaining, for the time-being, primarily a loaning agency, it is reasonable to expect the trust company functions gradually to increase while the loan branch of the business bears the brunt of the expense, with the result that eventually the company, under its broader activities and reasonably sound management, will become even more highly profitable.

Following is the market record of the listed trust and loan stocks for the last three years:

	Par Value	Int. Rate	1926 High	1926 Low	1927 High	1927 Low	1928 High	1928 Low	Last Sale	Yield
Can. Permanent	100	12	218	202¼	235	216⅛	250	230½	250	4.80
Colonial Invest.	10	..	7	4	7	5	4¼	4	4	..
Huron & Erie	100	8	137½	127½	152⅛	139	167	152	165	4.77
Landed Banking	100	10	159	159	200	161	205	200	200	5.00
Montreal Loan	25	12+1	50⅛	50	52¾	47	49	48	48	[illegible]
National Trust	100	12+1	250	232	285	232	363	305	354	[illegible]
Ontario Loan	50	12	110	103½	120	111	137	128	135	4.44
Real Estate Loan	100	7	95	83	107	100	115	110	115	[illegible]
Toronto Gen. Trusts	100	12	225	220	272	220	300	275	275	[illegible]
Toronto Mortgage	50	12	100	93½	110	100	122	114	118	[illegible]
Union Trust	100	7+1	105	98	135	104	150	137	145	5.51

NOTICE OF REDEMPTION

Northern Ontario Light & Power Company, Limited

TO the holders of the First Mortgage Six Percent. (6%) Twenty-year Sinking Fund Gold Bonds, Series of 1926, of the above named Company due January 1st, 1946, secured by Mortgage and Deed of Trust dated as of January 1st, 1926, in favor of The Toronto General Trusts Corporation, Trustee.

NOTICE IS HEREBY GIVEN that in the exercise of the power reserved to it under the provisions of the said Mortgage and Deed of Trust, the undersigned Company will, on the First day of July, 1928, redeem all its First Mortgage Six Per Cent. (6%) Twenty-year Sinking Fund Gold Bonds, Series of 1926, which may be then outstanding, by payment of the principal thereof with a premium of Five Per Cent. (5%) and accrued interest to the 1st July, 1928, at the office of The Toronto General Trusts Corporation, Trustee, in the city of Toronto, Ontario, Canada, or, at the holder's option, at the principal office of the Bankers Trust Company, in the Borough of Manhattan, City of New York, U.S.A., or, at the holder's option, at the office of The Midland Bank, Limited, in London, England.

The holders of the said Bonds are accordingly required to present their Bonds, together with all unmatured coupons attached, for redemption on the aforesaid date and at one of the aforesaid places, and in case such Bonds are not presented for redemption on the aforesaid date all interest on such Bonds shall cease from and after the said date.

NOTE: Referring to the foregoing Notice of Redemption, holders of the above-mentioned Bonds may surrender the same at the office of The Toronto General Trusts Corporation, Trustee, Toronto, Ontario, prior to the date fixed for redemption, and upon such surrender shall receive a sum equal to the redemption price of 105%, with interest accrued on such Bonds to the date of surrender thereof.

Dated at Toronto Canada, this 16th day of May, 1928.

NORTHERN ONTARIO LIGHT & POWER COMPANY, LIMITED,

L. C. HASKELL,
Secretary.

1200 KENNEDY PROPELLERS in Stock

Kennedy Propellers are as accurate as hand-finished wheels can be made. Shipments from stock same day as your order is received.

The Wm. KENNEDY & Sons Limited
Owen Sound - Ont.

On Stock at:
J. W. Magnus Co., 155 Kingg St. W., Toronto
Perfection Motors, Ltd., St. James St., Montreal

Cooksville Shale Brick Co. Limited

DIVIDEND NOTICE

A Quarterly Dividend of One Per Cent. (1%) on the Preference Shares has been declared, payable June 15th, 1928, to Shareholders of record at the close of business on May 31st, 1928.

By order of the Board.
WM. TAYLOR, Secretary.

Montreal, Que., 15th May, 1928.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after FRIDAY, the FIRST day of JUNE next, to Shareholders of record the 30th April, 1928.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 17th April, 1928.

Debentures for Sale
Town of Port Colborne

Tenders addressed to the undersigned marked "Tender" will be received up to noon Monday, May 28th, 1928. For the purchase of $33,000.00 Town of Port Colborne 4½% Debentures. Payable in yearly instalments of Principal, and Interest payable half yearly, for ten years. The proceeds of which are required for the erection of an additional four rooms to one of the Public Schools. The highest or any tender not necessarily accepted.

H. F. JOHNSTON,
Clerk-Treasurer.

Dated at Port Colborne,
May 9th, 1928.

The Bank of Nova Scotia

Dividend No. 234

Notice is hereby given that a Dividend of four per cent. on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of June 15th, 1928, and that the same will be payable on and after Tuesday, the third day of July next, at any of the offices of the Bank in Canada.

By order of the Board.
J. A. McLEOD,
General Manager.

Halifax, N.S., May 15th, 1928.

The Municipality of North Norfolk

are offering $15,000.00 of debentures with interest at 6% per annum, payable in 20 equal annual instalments beginning April 15th, 1929. These debentures are payable at the Bank of Montreal, in MacGregor, Manitoba.

This issue is for the purpose of construction of off-take ditches leading from the Trans-Canada Highway. Financial reports for the year 1928 may be had upon application.

All offers to be in the hands of the undersigned on or before May 30th, 1928.

Dated at MacGregor this 15th day of May, 1928.

G. E. LEWIN,
Sec.-Treas. R.M.N. Norfolk.

The Canadian Bank of Commerce

DIVIDEND No. 165

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st May, 1928, and that the same will be payable at the Bank and its Branches, on and after Friday, 1st June next.

The Transfer Books of the Bank will be closed from the 17th May to 31st May next, both days inclusive.

By Order of the Board,
S. H. LOGAN,
General Manager.

Toronto, 20th April, 1928.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

East Kootenay Power Co. Limited

Dividend No. 16

A DIVIDEND of One and three-quarter per cent (1¾%) (being at the rate of 7% per annum) on the PREFERRED STOCK of EAST KOOTENAY POWER COMPANY LIMITED has been declared for the quarter ending May 31st, 1928, payable June 15th, 1928, to shareholders of record May 31st, 1928.

By order of the Board
L. C. HASKELL, *Secretary.*

April, 27th, 1928.

WANTED $70,000

Distillery expert, blender and compounder, at present in position in one of the leading distilleries of Canada, wishes to meet the right party to establish a government licensed cordial liqueur manufacturing plant in Canada, none of which exist in this country.
Great future and tremendous export possibilities. Only party who can bear investigation need apply. Man with brewery connection preferred. Credentials exchanged.

B. WEISZ
7160 St. Denis St., Montreal

P.T. LEGARE LIMITED

Dividend No 3

The regular 1¾% quarterly dividend on the 7% preferred stock of this Company has been declared for the quarter ending May 31st, 1928, payable on the 1st day of June, 1928, to shareholders of record at the close of business the 15th day of May 1928.

By order of the Board.
P.-C. FALARDEAU,
Secretary-Treasurer.

Quebec, May 14th, 1928

A WESTERN COMPANY POSSESSING GREAT NATURAL RESOURCES OF HIGH QUALITY, NOW BEING CHEAPLY AND PROFITABLY HANDLED, AND CLOSE TO VALUABLE MARKETS, NEEDS SOME INCREASE OF CAPITAL TO PROVIDE FOR URGENT EXPANSION. NO PRESENT INDEBTEDNESS. UNEXCEPTIONABLE REFERENCES. FULL INQUIRY SOLICITED.

REPLY IN FIRST INSTANCE TO BOX 120, FINANCIAL POST, TORONTO, ONT.

COUNTY OF FRONTENAC DEBENTURES

The County of Frontenac offers for sale $53,780.20, 10-year, 4½% debentures, Cost of Construction of the Provincial Highway of the years 1926 and 1927.

The said debentures are dated June 1st, 1928, and payable in equal annual instalments; interest payable half yearly.

Sealed offers will be received by the Treasurer up to five o'clock p.m., Thursday, May 31st, 1928.

FRANK H. PURDY, Treasurer,
County of Frontenac,
Kingston, Ontario.

Fort Frances Ont.

Tenders will be received by the undersigned up to May 26, 1928. Fort Frances, Ontario, $42,000.00, 5%, 20-year serial debentures.

H. E. MARR,
Treasurer.

CITY OF NELSON BRITISH COLUMBIA

Sealed Tenders will be received by the undersigned up to 8 o'clock p.m. of Monday, May 21st, for the purchase of $45,000.00, 4½%, 20 year, Sinking Fund School Debentures, dated the 15th day of May, 1928. Interest payable half yearly. Principal and Interest payable at the principal office of the Bank of Montreal in Montreal, Toronto, Winnipeg, Vancouver and Nelson.

The highest or any tender not necessarily accepted.

W. E. WASSON,
Treasurer,
Nelson, B.C.

Hamilton Dairies LIMITED

Preferred Stock Dividend No. 7

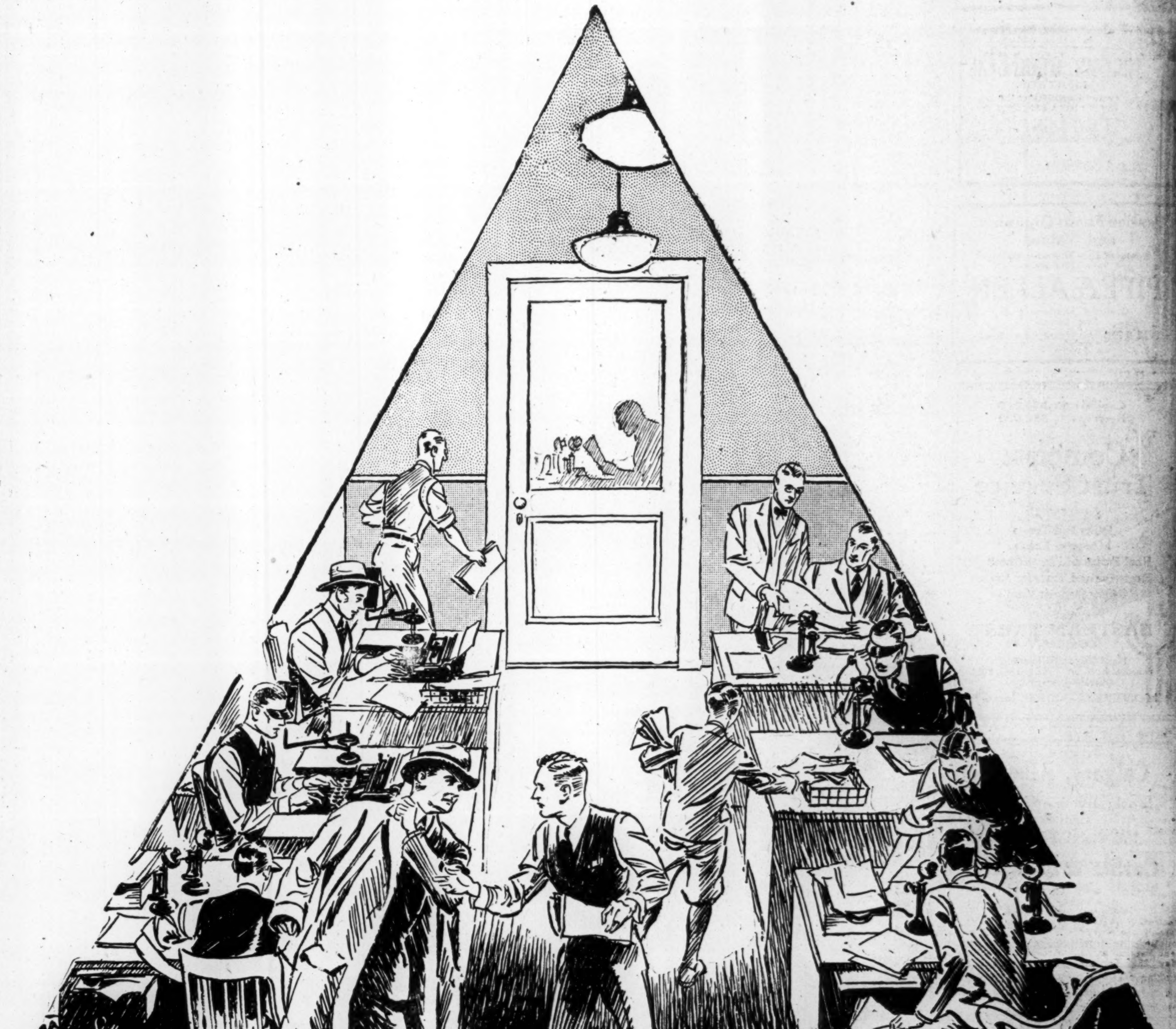
Notice is hereby given that a dividend for the current quarter at the rate of seven per cent. (7%) per annum will be paid by cheque on or after June 1st, 1928, to preferred shareholders of record at the close of business on the 21st day of May, 1928.

HAMILTON DAIRIES, LTD.

Red Deer, Alta.

The Board of Trustees of the Red Deer Public School District No. 104, Red Deer, Alberta, invite tenders for the purchase of Debentures to the amount of $60,000.00, the principal repayable in thirty equal consecutive annual instalments. Separate bids are required at 5% and 5½% respectively. Bids to be in the hands of the Secretary not later than Friday, June 1st, 1928.

S. PAMELY, Sec.-Treas.
Red Deer Public S. D. No. 104,
Red Deer, Alberta.



THE MAN IN CHARGE

A NEWSPAPER, to fulfill its rightful purpose and to earn a claim to distinction, must serve the community in which it is published — serve it in the presentation of news and advertising and by fostering civic pride and taking a broad attitude on national and world-wide topics.

The man in charge of such a paper must be a man of standing in the community and he must have a free hand in shaping the policy of the paper to local needs.

The Southam newspapers, recognizing this principle, are not subject to a centralized domination. This explains a fact so frequently noted, that Southam newspapers are not alike in their general appearance. They are as unlike each other as newspapers under separate and distinct ownership, each reflecting largely the conceptions of its responsible editors. Each shows also, in some degree, the influence of its history and traditions, a survival of markings left by able journalists who have since passed from the stage.

The contrasts afforded in the six newspapers are a reflex of the Southam policy of decentralization. The man in charge subscribes to certain over-riding principles governing the general tone of the newspaper. Within these limitations, he is given the fullest freedom in the administration of the newspaper's affairs.

The overriding principles are not numerous but they are comprehensive and far-reaching. They define in broad terms the character and the quality of the newspaper. They prescribe the news and editorial standards which must be maintained. They forbid entanglements, business or political, which would prevent the free exercise of the newspaper's influence in any question of public policy.

There the centralized direction ceases and the full freedom of the man in charge of the individual newspaper begins. To the resident publisher is left the power and the duty to initiate and to carry on, to make the newspaper a soundly constructive force in its community, and to give fair and intelligent guidance in the wide field of public affairs.

The Southam Newspapers
THE EDMONTON JOURNAL
THE CALGARY HERALD
THE VANCOUVER PROVINCE
THE OTTAWA CITIZEN
THE HAMILTON SPECTATOR
THE WINNIPEG TRIBUNE
Printing a quarter of a million copies daily.
A million people read the Southam newspapers every day.

The SOUTHAM NEWSPAPERS

OTTAWA HAMILTON WINNIPEG EDMONTON CALGARY VANCOUVER

PLAIN AND CORK TIP

ORIGINAL **Melachrino** CIGARETTES

THE ONE CIGARETTE SOLD THE WORLD OVER

NO 63

Investigate Possibilities of Base Metal Deposits in Maritime Provinces

Mowat and MacGillivray, Ottawa, say that something of a mining boom is beginning to hit Cape Breton Island and from information supplied by engineers who have visited the area recently, base metal formations of considerable extent, variety and promise are known to exist and from plans that are reported to be under way, a great deal of development is assured for the coming summer. In fact there is a strong possibility that Cape Breton may prove to be a miniature Newfoundland as far as base metals are concerned. The chief operations at the present time are at the Sterling Mine being developed by the British Metals Corporation, on copper deposits along the George River under option to the Huronian Belt interests, and at the Coxheath Copper Mine near Sydney, which has been taken over by an Ottawa Syndicate and is being reopened.

The Coxheath is one of the most interesting mines in Canada. It has been closed down since 1890. Formerly owned by Tom Lawson and associates, it was brought to a stage where plans for a 600-ton mill and smelter had been completed. During the financial crash that followed about this time which carried away the Lawson fortune and reduced metal prices to a point where financing was virtually impossible, the property was closed down, and owing to subsequent personal differences among the owners and litigation, the property was never reopened.

Recently an Ontario syndicate became interested in the property and agreed, provided the question of titles could be satisfactorily settled, to reopen the property and place it under modern development. This was arranged through the government of Nova Scotia cancelling all previous titles and issuing new leases.

Eleven Known Veins

The ore bodies as opened up (of which there are five known) were up to 35 feet wide and between 200 and 300 feet long, with faces still in ore. The vein system has been traced on the surface for over a mile and outcrops of ore have been found at various points throughout that distance. There are eleven known veins on the property all carrying commercial values in copper with gold and silver in some places quite high—up to 80 ounces of silver and $5 in gold.

The present development plan calls for considerable diamond drilling and cleaning out the old shafts of which there are three. Camps are now being erected and a drill is on its way into the property.

Abana Strikes High-Grade Ore

Development work at Abana Mines has revealed 30 feet of high-grade copper and zinc ore. This was cut by diamond drills on the east side of the diabase dyke, the side opposite to the developed ore body. The new ore body is reported to have been encountered 150 feet north of the strike of the first ore body and indications are that it is at a point 450 feet southeast from the dykes.

It is stated that the new discovery practically assures the doubling of Abana's ore reserves. A statement will doubtless be forthcoming from President Savard at the directors' meeting May 25. In the meantime Abana's milling plant is being pushed forward and it is anticipated that it will enter into production by September.

INTER. POWER GROSS INCOME NOW DOUBLED

Utility Holding Company Makes First Full Year Report

International Power report for the full year 1927 shows income of $621,144, compared to income of $312,959 for the ten months of 1926. After debenture interest and preferred dividends, the balance remaining to be carried forward is $72,328, compared with $57,599 the previous year.

International Power Co. controls Porto Rico Railways, Newfoundland Light & Power, Demarara Electric, etc. It was organized in 1926 as a holding company and its outlook is considered fairly good. It is stated that the controlled companies have written off substantial sums for depreciation, the average being about 11 per cent., of the gross earnings.

The holding company's investments at the end of 1927 totaled $8,805,501, compared with $5,795,649 at the end of 1926. Total assets, in the same period, grew from $8,045,127 to $12,577,584.

Following is the comparative profit and loss account:

	1927	1926
Divs. and int. from Controlled cos.	$621,144	$312,959
Misc. expenses	40,708	22,027
	580,436	290,932
Deb. interest	148,432	......
	432,004	290,932
Pref. dividend	359,676	233,333
Balance	72,328	57,599
Surp. prev. year	57,599	......
P. & L. balance	129,927	57,599

Howey Drift is High Grade West of Shaft

Howey Gold Mines are reported to have struck a vein 9 feet wide running $26.50 to the ton on the 500 foot level east of the shaft. Several rounds had been taken out at the time of despatching the report, and it was stated that both the width and values had been maintained. In view of the fact that the ore opened up to the east on the upper levels was low grade, around $7 to the ton, Howey's latest development has created much interest. Full details will not be officially announced until Manager Young returns to the property.

This has been reflected in a renewed activity in trading and an upward trend in the stock which has experienced a strong slump since the holding of the annual meeting in April.

Another feature which has possibly appealed to investors is that on July 1 a further sum of $350,000 will be turned into the treasury to augment the $1,000,000 now lying at the disposal of the management. This money will be realized from the sale of stock options which were issued to the original subscribers of Howey stock. Howey Syndicate pool of shares will lapse on July 1, and this stock will be distributed, 400 shares to the unit.

The last hole sunk by diamond drill on the property of Kirkland Townsite Gold Mines at Kirkland Lake, reached a depth of 800 feet when it had to be abandoned, owing to a broken drill rod. President R. H. Lyman, of Cobalt, states that further drilling is planned and that the management believes the break will be cut at a depth of 900 feet.

FRENCH POWER CO. INCREASES EARNINGS

L'Energie Industrielle Has Good Quarterly Report

From Our Own Correspondent

MONTREAL.—Substantial increase in earnings are announced for L'Energie Industrielle and its subsidiaries for the first quarter ending March 31. Net earnings during the first three months of the year amounted to 13,830,000 francs as against 8,784,000 francs for the corresponding period in 1927. This is an increase of something like 57 per cent. for the period.

For the month of March, earnings after allowing for operating expenses were $4,224,000 francs, as against 2,697,000 francs for the corresponding month of last year.

The figures are as follows:

Earnings Statement (Francs)

March—	1928	1927	Increase
Gross earn.	8,544,249	6,584,608	1,959,641
Less:			
Oper. exp.	4,319,692	3,887,356	432,336
Net earn.	4,224,557	2,697,252	1,527,305
Three Months—			
Gross earn.	27,621,275	20,760,802	6,860,473
Less:			
Oper. exp.	13,790,581	11,976,497	1,814,084
Net earn.	13,830,694	8,784,305	5,046,389

TORONTO RY. SHARES PAYING $116 TOTAL

The final payment in the winding-up of the affairs of the old Toronto Railway will likely take place within the next four or six weeks. There remains only one single matter, in litigation for some years, to be finally straightened out, and settlement in this has already been consented to. When cash is on hand from this source, final winding-up of the Toronto Railway will promptly take place.

The final payment to shareholders will likely be around 50 cents a share. Already there has been paid by the liquidator, D. H. McDougall, $115.50 per share, the last payment of $1.50 going forward less than a month ago. The final payment will therefore bring the shareholders' payments up to $116 a share.

Sprucolite Common is Listed in Toronto

Class "A" common shares of the Sprucolite Corp., of New Jersey, have been listed for trading on the Toronto Stock Exchange. There are 19,143 issued Class "A" shares and 10,000 Class "B" shares, both of no par value. A block of 2,500 common shares recently was distributed among Canadian investors by a Toronto investment banker.

The Sprucolite Corp., with factories at West Orange and Bloomfield, N.J., and Tacoma, Wash., manufactures wood composition pulleys. The market has grown rapidly throughout the world, it is stated, and it is proposed to establish a subsidiary manufacturing company in Canada.

Harker Mines Will Speed Up Its Work

Underground work at the Harker Mines is being pushed steadily along according to a report received from the mine by President Jack Hammell. On the 250-foot level drifting operations have been carried out toward the east to intercept the section cut by the No. 11 drill hole. At the time of despatching the report, there remained but 50 feet more to go.

One driller is being kept on test holes and slashes concentrating on points where values leave off as shown by the old assay plans. Most of the sampling so far has been done with the idea of obtaining more information on the old workings at these points.

Surface work has been impeded by the deep snow but so soon as the break-up is over and conditions permit, this will be speeded up and additional machinery will also be taken in to permit of a greater development underground as well.

NEW REGINA MANAGER

A. B. IMRIE.
formerly Estates Officer, Toronto General Trusts Corporation, who goes to Regina as manager of new branch.

Building New Homes

It is estimated there will be 500 new homes built in Calgary this year in addition to much other construction work.

FRESH FISH
LIVE LOBSTERS
GALLAGHER & COMPANY
107 King St. East, Toronto
Delivery all parts of city
Elgin 9260-9269

New Issue

2,500 Shares of Preferred Stock, $100 par value

ONTARIO WINE COMPANY, LIMITED
NEW TORONTO, ONT.
(Incorporated under the laws of the province of Ontario)

CAPITALIZATION

	Authorized	To be Issued
Preferred stock, 7% cumulative, redeemable at 110..	$250,000	$250,000
Common stock	25,000 shares	25,000 shares

BUSINESS of the company is carried on in modern 3-storey brick building facing Toronto-Hamilton highway, New Toronto. Grapes are brought by truck economically from Niagara or elsewhere.

PRODUCTS consist of native wines and fountain fruits, syrups and supplies, proprietary and patent medicines.

MANAGEMENT of the company will remain the same as that which has conducted the business successfully for a number of years. Associated with Mr. E. J. Morrow, the president, on the board of directors will be Raymond W. Thompson, W. B. Willard, J. C. Clews and Mrs. Helen Heffernan.

EARNINGS of the business have averaged approximately $24,000 in the last four years. Dividends on the preferred stock will require approximately $17,500 annually. It is confidently expected that the consumption of native wine in Canada will continue to show steady increases and this company is in position to benefit from such expansion.

ASSETS total $139,686, of which $85,710 is represented by lands, buildings and equipment, $18,109 by trade-marks, formulae, etc., and $5,000 by native wine license. Accounts receivable, guaranteed by the vendor, total $3,892, and inventories total $27,063. Liabilities, other than to shareholders, total $29,686, of which $18,000 is represented by mortgage on property and $11,686 of which due to vendor. Balance sheet is certified by D. Vise, of D. Vise & Co., chartered accountants, and fixed assets have been appraised at the foregoing figures by the Sterling Appraisal Co.

PRICE: $100 per Share
(with bonus of 3 shares of common stock with each five shares of preferred)

Further information can be obtained on request.

ONTARIO WINE COMPANY LIMITED
New Toronto, Ont. Lakeside 5454

Also SKELTON & CO., Investment Securities
Bank of Hamilton Bldg., Toronto Elgin 0473

NEW ISSUE

12,000 SHARES

SARNIA BRIDGE CO., LIMITED

(Incorporated under the Dominion Companies Act)

Class "A" Cumulative, Participating Stock
(NO PAR VALUE)

Class "A" shares are entitled to a cumulative preferential dividend at the rate of $2 per share per annum, payable quarterly on the first of July, October, January and April, the first dividend to accrue from May 4th, 1928. If, in any year, dividends of $2.00 per share (and any accrued dividends) have been paid on Class "A" shares, non-cumulative dividends may be paid on Class "B" shares at a rate not exceeding $2.00 per share per annum. Any additional dividends declared for such year shall be paid at an equal rate per share on both Class "A" shares and Class "B" shares. Class "A" shares have equal voting rights with Class "B" shares and, at any time prior to June 30th, 1930, may be converted, share for share, into Class "B" shares. Class "A" stock may be called, in whole or in part, on 30 days notice at $40.00 per share and accrued dividends.

TRANSFER AGENT: MONTREAL TRUST COMPANY. REGISTRAR: THE EASTERN TRUST COMPANY.

CAPITALIZATION

	Authorized	Issued
Class "A" shares (no par value)	15,000	12,000
Class "B" shares (no par value)	*30,000	15,000

*Including 15,000 shares reserved for the conversion of Class "A" shares.

The Company has no funded debt.

COMPANY AND PROPERTIES: Sarnia Bridge Co., Limited, has acquired, as a going concern, the assets and undertaking of a company of the same name which has been in successful operation since 1907. Throughout this period a large proportion of the earnings have been invested in improving and enlarging the plant, properties and equipment.

The properties consist of a modern steel structural plant in Sarnia, Ontario, occupying an area of five acres. The annual capacity of the plant, consisting of Structural Steel, Massillon Joists and Steel Ties, is 12,000 tons. The main buildings are of steel frame construction with concrete foundations and have been well maintained. The machinery and equipment is of the most modern type. The Company has branch offices in Montreal and Toronto.

The principal business of the Company is the fabrication and erection of steel frames for buildings, steel bridges, steel tanks, steel telegraph and telephone poles, intake pipes, towers for water tanks and a variety of other steel structures. The Company has an exclusive license to manufacture in the Dominion of Canada and Newfoundland the famous Massillon Bar Joist and allied products.

Massillon Bar Steel floor construction, coupled with structural steel frames, forms one of the most fireproof and economical types of building. The great value of the rights to manufacture the Massillon Bar Joist and allied products is reflected in the increasingly large number of profitable contracts tendered the Company.

ASSETS: According to statements prepared by P. S. Ross & Sons, the assets of Sarnia Bridge Co., Limited, as of December 31, 1927, after giving effect to proposed new financing, were as follows:

CURRENT ASSETS: Cash, accounts receivable, finished materials, raw materials and supplies, less reserves	$325,937.74
PLANT INVESTMENT: Land, buildings, machinery and equipment	376,674.46
Total Assets	$702,612.20
CURRENT LIABILITIES: Bills and accounts payable and reserves for income tax and commissions	$138,356.84
Reserved for depreciation on buildings, machinery and equipment	94,819.70
CAPITAL STOCK AND SURPLUS: Representing 12,000 shares of Class "A" common stock and 15,000 shares of Class "B" common stock	469,435.66
Total Liabilities	$702,612.20

Contingent liability—Trade paper under discount $2,358.00.

EARNINGS: Messrs. P. S. Ross & Sons, Chartered Accountants, certify that the net income of Sarnia Bridge Co., Limited, for the years 1926 and 1927, before bond interest, depreciation and income tax, amounted to $66,828.51 and $86,348.07 respectively; equal to more than three and one-half times the preferential dividends on the Class "A" shares for 1927. Estimated earnings for 1928, based on orders now in hand and in prospect, will amount to $100,000, which is equivalent to more than four times the preferential dividend on the Class "A" stock.

MANAGEMENT: The men who have been responsible for the success of the Company from its inception have retained their interests through purchase of the Class "B" stock and will retain active management. Associated with them will be other outstandingly successful men. The Officers and Directors of the Company include:—

R. M. NORTON, President and founder, Sarnia Bridge Co., Limited.
JOHN C. NEWMAN, Vice-President, Sarnia Bridge Co., Limited; President, General Steel Wares, Limited; President, J. S. Mitchell & Company, Limited; President, Baldwins (Montreal) Limited; and director, Canadian Vickers Company, Limited, and other successful Canadian companies.
W. NORRIS, Secretary and Treasurer, Sarnia Bridge Co., Limited.
FRANK M. ROSS, Vice-President, Hamilton Bridge Company, Limited; Vice-President, Canadian Vickers Company, Limited; Managing Director, Saint John Dry Dock & Shipbuilding Co., Limited.
F. J. SCUPHOLM, General Manager, Sarnia Bridge Co., Limited.
F. G. DONALDSON, General Manager, Montreal Trust Company.
N. L. LESUEUR of the legal firm of LeSueur, LeSueur & Dawson, Sarnia, Ontario.
E. G. JACKSON, President of the International Equipment Company of Canada, Limited.
W. P. RAPLEY, of Williams, Partridge & Rapley, Limited, Investment Bankers; Director, J. S. Mitchell & Company, Limited.

PURPOSE OF ISSUE: The funds derived from the distribution of Class "A" shares have been used to retire the Bonds of the former Company, to acquire the properties of the Company and to supply additional working capital for the expansion of the Company's growing business.

We offer these Class "A" shares when, as and if issued and received by us and subject to approval of all legal details by Messrs. Brown, Montgomery & McMichael.

PRICE: $32 per share and accrued dividend

Application will be made in due course to list both the Class "A" and Class "B" shares on the Montreal Curb Market.

WILLIAMS, PARTRIDGE & RAPLEY LIMITED
Investment Bankers
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BRUNEAU & RAINVILLE
Members Montreal Stock Exchange
Members Montreal Curb Market
61 St. James St., Montreal

J. M. ROBINSON & SONS
Investment Bankers
459 St. John St., Montreal

The statements in this advertisement are not guaranteed, but are based on information which we believe reliable, and on which we acted in purchasing these securities.

NEW ISSUE

12,500 Shares of Common Stock
(No Par Value)

The Celtic Knitting Co., Limited

Montreal, P.Q.

(Incorporated under the Laws of the Dominion of Canada.)

Montreal Trust Company, Transfer Agents. Canadian Trust Company, Registrars.
The Royal Bank of Canada, Bankers.

CAPITALIZATION

	Authorized	To be Issued
Common Stock (No Bonds or preferred shares)	30,000	27,000

The business of the Company is carried on in a modern four-storey brick and concrete plant at 78 Turgeon Street in the heart of the Textile manufacturing district, where adequate labor is always available.

The products of the Company consist of Women's, Children's and Men's Silk, Silk and Wool and Cashmere hose, which find a ready market in every Province in Canada, through the principal Wholesale and Retail Distributors.

SOUND EXPANSION.—Up to the present time this Company has been a family affair and although the plant has been operating night and day it has been unable to cope with the business offered from all over Canada.

The growth of the business is amply demonstrated by the fact that while in 1920 the plant turned out 175 dozen pairs weekly, to-day it is turning out over 1,800 dozen pairs weekly.

The proceeds from the sale of these shares will provide sufficient money to pay for the necessary machinery and equipment to double the capacity of the plant (which will involve no further overhead expense) to pay off Bank loans and for other corporate purposes. The present management, which has been so successful in the past, will continue to look after the Company's affairs and those interested in the business since its inception in 1920 have such confidence in its future prospects, that they have accepted 14,500 shares for their entire interest in the business, no cash changing hands.

ASSETS.—Upon completion of the present financing the net assets of the Company as certified by Messrs Edwards, Morgan & Co., Chartered Accountants, will show as follows:—

Plant, Machinery and Equipment, Goodwill, Trade-Marks, etc	$245,000.00
Surplus of Liquid Assets in excess of liabilities	147,134.00
Other assets have been conservatively valued at	13,853.00
	$405,987.00

The total amount of net assets as shown above indicate a value of over $15 per share for the 27,000 shares to be issued.

EARNINGS.—It is conservatively estimated that with the addition of new machinery and equipment the Company should earn approximately $57,000 per annum or over $2 per share per annum on the outstanding stock, or 13.33%.

The prospects for dividends on the stock are excellent.

The above shares are offered for sale when, as and if issued and received by us, subject to the approval of all legal matters pertaining to the issue by Messrs. Brown, Montgomery & McMichael, Montreal, P.Q.

Price $15 per share

Application will be made to list these shares on the Montreal Curb Market.

Complete circular sent on request. *Orders may be telegraphed at our expense.*

H. B. ROBINSON & CO., LIMITED
INVESTMENT BANKERS
210 ST. JAMES STREET, MONTREAL
TELEPHONES: MAIN 8542-3-4

The statements contained in this advertisement are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

Ontario Reports Quarter's Work in Province's Mines

Hollinger's Kamiskotia Ore Has Great Widths

Values in Most Cases Not Commercial as Yet

OUTLOOK PROMISING

Gold Values in Assays Are Low, General Manager Tells Shareholders

The excellent reception which Hollinger's 1927 report received resulted in a strengthening of the price of the shares. This fear-allaying feature was the ultra conservative remarks regarding Kamiskotia. Before the report appeared it had got around that the whole Kamiskotia venture was to be abandoned and the shares broke to $15.

Close scrutiny of the remarks of General Manager A. F. Brigham, leave the impression that the Kamiskotia venture may develop into something very substantial. Mr. Brigham first revealed that 41 out of 98 claims are being retained in Kamiskotia. This means that 1,640 acres are still held, a property nearly 1,000 acres larger than the Hollinger's total gold holdings in Porcupine.

Mr. Brigham in detailing underground results shows the following widths and values:

Ore Body	Width	Ore Content
South body	56 ft.	2.02% Copper
North body	46 ft.	3.75% Copper
North body	31 ft.	3.55% Zinc

Above results are from crosscutting. Equally good values and in some cases greater widths are given in detailing diamond drill results from these workings which are on 150 ft. level.

At present day prices the first ore is worth $5.66 gross, the second $10.50 and the zinc $3.90. Only the second can be considered commercial and the margin of profit would be quite small. But some of the drill results indicate much better values, such as 4.14 per cent. copper, and in another case 4 per cent. zinc. Copper values are decidedly more important than zinc. If Northern Ontario operators can get a cent and a half net for zinc they will be lucky, engineers say.

In considering the Hollinger values, however, the big thing to conjure with is the great widths of ore along with the possibility that better values may be encountered. Mr. Brigham says assays show only a trace of gold. Some engineers who have been at the property say they believe Hollinger will get better gold values in stringers paralleling the orebody.

Hollinger's report is the first official break in the silence that has surrounded the operation in the camp. There are other groups doing good work in there as well, Aconda, Duprat, Elgin, Desantic, Keeley-Burns, Ottawa Syndicate, Kamiskotia Exploration Syndicate and others. As soon as the bush clears of snow a great deal of work will be undertaken which should be under way not later than June 1.

It is said that two interesting ore bodies have been revealed in addition to Hollinger's, one by Aconda and the other on Kamiskotia Syndicate group. Aconda is now installing machinery and is said to be negotiating for the Philips property. A group of mining men in the north are providing Kamiskotia Exploration Syndicate funds for quite a programme of work.

San Antonio Proves Width of Bodies

Further excellent results have been met with at San Antonio Mines in Manitoba. In crosscutting on the 600 ft. level ore six feet wide showing over $12 to the ton was encountered.

To test out the dimensions of this orebody, drill holes were sunk to 600 feet at a distance of eight hundred feet from each other and both of these encountered the vein.

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[*Thumbnail Sketches of Prominent B.C. Mines*]
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ISSUES WE HAVE SPONSORED:
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The Whitewater Mine holds first place as leader among the foremost mining properties of the Slocan district. First recommended by us at 25c per share, it is now trading firmly at $2.80.
Whitewater has ore reserves for 25 years proven to a greater depth than those of any other mine in the Slocan.
The West ore zone, a comparatively recent discovery, is considered by eminent engineers to be the most important ore disclosure in the history of the district. The downward extension has been proven for a depth of over 1,900 feet.
The Whitewater Mill is a model of its kind. It has a capacity of 200 tons a day and has been constructed on a unit basis. Consideration is now being given the question of enlarging the mill by 100 tons.
New Hydro-electric Equipment will be supplying adequate power this Summer. The mill is located within 100 yards of the C.P.R. tracks.
In all the rich Slocan Mining Division Whitewater stands pre-eminent, both from a divided point of view and because of strong prospects of early appreciation in the price of stock.
Write for our Monthly Stock and Bond Report and our Free map of British Columbia Mines.
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NEW COMPANY WILL DEVELOP 5 GROUPS QUEBEC, MANITOBA

Manitoba and Eastern is Name of New Company With Good Properties

Manitoba and Eastern is the name of a new mining company that has been incorporated to develop and operate four different properties in the Manitoba mining areas, and a fifth in the Quebec gold area in Malartic Township. All the properties were acquired by the organizers and are owned outright by the company, which will come into being with its leasing intact and $50,000 cash.

It is proposed to operate in the Sherritt-Gordon area in Manitoba and conduct exploration in such other localities as the directors may deem advisable.

Location of Groups

In Manitoba the company owns a group of 18 claims adjoining the new discovery at Malley Lake made by Shellett, the original discoverer of Sherritt-Gordon, whose new discovery under option to that company. It has a second gruop of 12 claims lying directly south and west of the Shellett discovery, and its third property, a group of six claims, is situated at Reed Lake, Man.

The company's fourth group comprise all the units of the original Syndicate, organized to purchase 4 claims adjoining the Hopkin's discovery at Reindeer Lake, Man.

It has two groups of claims located in Malartic Township, Que., one of 600, and the other of 200 acres.

Compare to Sherritt-Gordon

No. 1 Group at Molley Lake, is reported to appear quite as imposing as did the original Sherritt-Gordon exposure in its first stages. Manitoba and Eastern's claims are north and east of this discovery, and lie directly on the main line of strike which runs north and east on the Shellett property.

The No. 2 group lies directly south and west of the Shellett discovery at Molley Lake. A limited amount of exploration work has shown encouraging results and active development will commence immediately. Others who have taken up ground in the immediate vicinity include Fred Connell of Toronto, the Norrie and Tower interests, and the Kawanda Syndicate of Ottawa.

Exploration work done on the company's No. 3 group at Reed Lake disclosed a strong vein which assayed over $9 in gold. The vein lies in a sulphide body, and has not yet been fully explored.

The Hopkins' Discovery Group at Reindeer Lake was staked by one of the first mining men to go into this country. It is tied on to and adjoins the northern boundary of the Hopkins, Jowsey, and Errington property. The Hopkins people after several months of trenching and surface exploration have sent in diamond drilling equipment and are testing the value of the deposit, which is reported to be an immense ore body high in base metal values.

Of the company's holdings in Malartic, 15 of the claims adjoin the Lucky Tiger, a mine that has shown great promise. The other group, of 200 acres, lies in the more central portion of the township.

It is the company's intention to maintain experienced prospectors in the field who will be required to follow up new discoveries and stake claims for the company in all new locations.

The company will also purchase its own diamond drills and operate crews under experienced drillers.

Manitoba and Eastern will be incorporated under a Dominion charter with capitalization of 5,000,000 shares of no par value. Of this amount 2,000,000 shares are to be issued to acquire properties and provide the treasury with $50,000. This will leave 3,000,000 shares unissued and remaining in the treasury.

Out of the 2,000,000 shares issued to acquire the company's properties, 500,000 are to be placed privately to provide a treasury fund of $50,000. Arrangements are being negotiated at the same time to provide for the public financing of the company, and it is the directors' intention to apply in due course for the listing of the company's shares on the recognized exchanges.

The management will be placed in the hands of a board of directors which will comprise men representative of business and mining interests. John Callinan, of Callinan Flin Flon will be one of the board. The field work and mining managements will be in charge of W. P. Murdoch, M.E., formerly of the Tonopah and Lebel Oro Mines. The geological and technical work will be under the supervision of K. B. Heisey, formerly Ontario Government geologist.

GULL-KIRKLAND MINES
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(No Personal Liability)
Property situated in the
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Diamond drilling has given important results.
Write for particulars and summary of engineers' reports.
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Astoria Rouyn Mines
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Synopsis of Latest Telegraphic Report from Engineer
"CONTINUED work on zinc pit shows extension of mineralization in width and depth, with better showings in zinc and copper sulphides, stop another trench to the east shows continuity of zone in that direction stop good progress being made in tunnel which is now advanced to 90 feet with better chalcopyrite showings than anticipated at that point."
AGGRESSIVE development work now being carried on with modern machinery and equipment. A full and complete report will be mailed to all the shareholders within a few days.
Watch for This Report
ASTORIA ROUYN MINES
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74 Sparks Street, Ottawa

Ontario Metal Mines Add to Output and Value

The value of the output of the metallic production from Ontario during the first quarter of 1928 was up $1,122,326 above the figures for the corresponding period of 1927, according to a bulletin issued by the Ontario Department of Mines.

Gold

Production of gold continues to increase, due entirely to the increased tonnages of ore treated and also to improved milling facilities of the Kirkland Lake area. The total production from all sources was 392,970 fine ounces worth $8,123,013 in the first quarter of 1928 as against 371,006 fine ounces valued at $7,670,127 in the corresponding period of 1927.

Due to the disastrous fire at the Hollinger Mine early in February, as a result of which eight days' milling time were lost, and entailing a further period of restricted operation in bringing the plant to capacity, the production from the Porcupine area fell from $5,801,910 in 1927 to $5,095,926 for the period under review. The ore treated also showed a corresponding drop in quantity. The decrease at Porcupine, however, was more than taken care of by the Kirkland Lake Mines, the total value increasing from $1,898,642 to $3,057,722. A total of 17 mines were active, seven at Porcupine and ten at Kirkland Lake, of which only four produced less than $20,000 each during the quarter. The average grade of ore at Porcupine was $6.56 per ton and at Kirkland Lake $11.68.

During March all mining operations were suspended by the Canadian Associated Goldfields at Larder Lake when that company went into liquidation. In April the Argonaut Consolidated Mines announced that the ore bodies formerly worked did not continue into the lower levels of the mine, with the result that a clean-up was being made and all operations suspended on this property.

GOLD PRODUCTION, FIRST QUARTER, 1928

Source	Tons Milled	Gold Recovery Ounces	Gold Recovery Value	Silver Recovery Ounces	Silver Recovery Value	Total Value
Porcupine						
Ankerite	17,273	3,437	$ 71,042	378	$ 214	$ 71,256
Dome	136,400	46,294	956,978	6,014	3,459	960,437
Hollinger	454,882	133,381	2,757,228	26,594	15,277	2,772,505
McIntyre	124,470	51,783	1,070,445	14,223	8,164	1,078,609
Paymaster	22,810	2,780	57,463	313	184	57,647
Scottish Ontario	93	58	1,198	5	3	1,201
Vipond	20,811	7,448	153,847	745	424	154,271
Total	776,739	245,180	$5,068,201	48,272	$27,725	$5,095,926
Kirkland Lake						
Argonaut *	4,128	842	$ 17,395	92	$ 52	$ 17,447
Barry-Hollinger	6,800	1,568	32,405	246	135	32,540
Assoc. Goldfields	10,619	851	17,601	176	99	17,700
Gold Hill	1,834	226	4,680	74	42	4,722
Kirkland Lake	15,714	5,408	111,776	1,094	620	112,396
Lake Shore	55,145	38,596	797,849	3,741	2,151	800,000
Sylvanite	16,852	8,628	178,343	2,481	1,414	179,757
Teck-Hughes	75,162	66,755	1,379,939	5,127	2,912	1,382,851
Tough-Oakes	9,293	1,858	38,408	229	118	38,526
Wright-Hargreaves	66,206	22,740	470,028	3,090	1,755	471,783
Total	261,763	147,471	$3,048,424	16,350	$ 9,298	$3,057,722
Nickel-Copper refining	......	319	6,388	.....	......	6,388
Grand Total	1,038,502	392,970	$8,123,013	64,622	$37,023	$8,160,036

*In addition to value of gold, there were 35,912 lbs. copper contained in concentrates

Silver

The average New York price during the first three months of 1928 was 57.132 cents per ounce, as compared to 56.333 cents in 1927. Despite this small increase in price the value of the silver production for the period was considerably below the figures for the first quarter of 1927. It should be pointed out, however, that ore shipments of higher grade made since March 31 will help swell the output for the first half of 1928. There were twelve shippers during the quarter. Seven of the properties are at Cobalt, two at Gowganda and three at South Lorrain. Shipments over the T. & N. O. railway were as follows: To Deloro, 793 tons (concentrates mainly); to United States, 897 (flotation concentrates chiefly), and to Europe, 309 tons (Cobalt ore and residues). The details of production follow:

Silver	First Quarter 1927 Oz.	1927 Value	1928 Oz.	1928 Value
Bullion sold	2,102,803	$1,194,675	1,287,379	$732,766
Contained in exported material	223,013	111,205	172,557	98,926
From gold bullion	63,538	35,558	64,622	37,023
From nickel-copper refining	21,702	12,188	29,043	16,693
Total	2,411,046	$1,353,626	1,553,601	$885,408

Nickel and Copper

The nickel-copper industry as may be seen in the table below, has experienced a prosperous quarter as compared with the first quarter of 1927. Ore smelted, matte made and matte refined and exported showed considerable gains above the 1927 period with correspondingly augmented recoveries in metal. An outstanding feature, however, was the gain in copper which rose from 5,722,874 pounds in 1927 to 8,418,418 pounds in 1928. Nickel oxide also experienced a better market as indicated from the figures shown below:

NICKEL-COPPER PRODUCTION, FIRST QUARTER

		1927	1928
Ore raised	tons	302,829	271,171
Ore treated	tons	308,365	331,836
Matte produced	tons	19,171	20,659
Copper content	lb.	12,093,729	13,149,178
Nickel content	lb.	18,650,369	19,958,674
Matte exported	tons	6,745	7,847
Copper content	lb.	4,820,833	5,114,324
Nickel content	lb.	6,665,761	7,811,902
Matte refined	tons	10,615	13,790
Refined nickel	lb.	5,935,250	9,071,090
	Value	$1,507,957	$2,281,379
Electrolytic nickel	lb.	2,151,429	769,286
	Value	$ 644,185	$ 211,008
Nickel oxide	lb.	2,119,479	3,068,962
	Value	$ 513,348	$ 738,058
Converter copper	lb.	5,722,874	8,418,418
	Value	$ 740,156	$1,119,480

Developments mentioned a year ago at the Frood and Frood Extension mines of the International Nickel and the Mond Nickel companies respectively, have been actively carried on. The International completed their new shaft (28 ft. 2 in. by 15 ft. outside timbers) to 3,050 ft. late in March, averaging 203 feet per month. Work is also under way on a ventilation shaft some 2,000 feet distant. The Mond shaft has reached a depth of about 3,000 feet.

The tenor of the ore from this deposit is roughly two of copper to one of nickel, the operation of which should point to a considerably augmented production of copper. This, however, will depend largely upon increased sales of nickel which is mined and produced at the same time. The present sources of smelting ores are the Creighton, Levack, and Garson mines. The Creighton ore is admirably suited to the production of monel metal for which a growing demand is in evidence.

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WE take pleasure in announcing that our offices have been entirely reconstructed. Visitors are cordially invited to our Board room, and further we shall be pleased to mail Market Letters and Special Bulletins *free* to any who may be interested.
Percy Luscombe & Co. Ltd.
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DEAL INVOLVING 2,000,000 BUSH SHARES COMPLETE

Battle Waged Between New York and Toronto for Block

A keen battle which has been waged for some weeks for the Kendall interest and options in Bush Consolidated Gold Mines of Portland Canal, B. C., has resulted in a victory for Grant Mahood, one of the pioneers of the Portland Canal.

By the deal just consummated, Mr. Mahood secures outright 300,000 shares of Bush Consolidated and options on 1,820,000 shares. This is about one-third of the total Bush capitalization.

Two strong New York groups have been angling for this interest for some time, but Mr. Mahood ultimately got the jump on them. This interest is being turned into Alexandria Gold Mines which already has what is regarded as a proven mine on the coast as well as other B. C. holdings, on exploration operation in Marshay Tp. Sudbury and another group in Ben Nevis, East Kirkland Lake.

Wants 51 Per Cent.

Mr. Mahood is now negotiating for other Bush holdings which will give his company 51 per cent. He has retained Thos. S. Davey, M.E., as managing director of his enterprises and will soon instal a modern plant on the Bush and push its exploration.

Exploration on the Bush has been carried on in a small way during the winter and recently, a long tunnel, driven to cut a porphyry zone encountered the first vein. No information as to the values carried is available.

Mr. Davey has just visited the Alexandria property at Phillips Arm and is outlining a program of work to bring that property into production. When he has that well under way, he will go to the Bush which owns 3,800 acres lying mostly between Premier and Big Missouri in Salmon River section of Portland Canal. The company also has holdings adjoining the Woodbine which early this year encountered sensational ore and negotiations have been started to secure a working option on this adjacent Bush ground.

Mr. Mahood was one of the original owners of Premier and part of the ground making up B. C. and National Silver. He has prospected practically all the Bush ground and says he was always impressed with its possibilities. This is the reason for his activity to acquire control for Alexandria Gold Mines in which he is interested.

Bush Consolidated is understood to have 1,400 shareholders.

Amity Cuts Solid Chalcopyrite Ore

The second round of a crosscut being run north from the main drift on Amity at a distance approximately 250 feet east of the shaft, encountered a solid body of massive chalcopyrite that assays very high.

Evidently this is a body that is paralleling the main ore zone about five feet to the north. The space between seems well mineralized and there is the prospect that the whole body may be commercial.

Just previous to the starting of the crosscut some good ore was encountered in the north wall of the drift and a couple of slashes out of the side revealed such good results that Manager Payne decided to crosscut. The new

Get Ounce of Gold from 3 Tons of Ore

Just how precious a metal gold is, is graphically illustrated by an analysis of the annual report of Hollinger Consolidated Gold Mines. The report shows that 2,179,995 tons of ore were mined to recover 727,445 ounces of gold. In the treatment of the ore, after recovery of the gold, there remained 69,759,112,555 ounces of slimes from which 30,195 additional ounces of gold were recovered. A total of 757,640 ounces of gold was therefore recovered from the 2,179,995 tons of ore milled.

To produce one ounce of gold it was necessary to mine 95,897 ounces of ore, or in other words one ounce of gold was recovered from every three tons of ore taken from the mine.

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Bush Consolidated Control Changes in Big Transaction

Noranda Will Complete Shaft-Sinking This Month; Cut "E," "C," "H" Bodies

"Sinking of the Noranda shaft, which is being carried down to a depth of 1,025 or 1,050 feet will be completed by the end of the month, according to the present rate of progress," states J. Y. Murdock, president of the company, who recently inspected the property.

"Lateral work is proceeding on the fourth and fifth levels and meeting with satisfactory results. As soon as shaft-sinking has been completed, development will be started on the 6th, 7th, 8th, 9th and 10th levels.

"'E' ore body has been cut on the 4th level, and 'C' ore body has been encountered on the 5th level. Some indications of 'H' ore body have been met with below the 6th level, but not enough work has been done yet to warrant a statement as to its extent or the values obtained.

"The first unit of the smelter is working very satisfactorily and the second reverberatory furnace is gradually being completed, but will not be put into operation for some months yet. Tests are being made of the present unit to see what improvements can be made on the second."

Latest unofficial information from the property is to the effect that early this week the shaft cut an ore body, presumably the downward extension of "H" ore body at 972 ft. The shaft passed through a solid body of high grade.

Sudbury Basin Prepares to Sink Vermilion Shaft

"Diamond drilling results have been almost uniformly favorable and indicating extensive ore deposits, it is understood that Sudbury Basin Mines, one of the outstanding developments in the Chelmsford section of the Sudbury district, is preparing to sink a shaft on their Vermilion Lake properties," states A. E. Moysey's Market Despatch.

The sinking of the shaft will permit the company to begin the work of actually developing the indicated ore bodies underground.

Miller Independence Completes Financing

It is reported that the financing of Miller Independence Mines has been arranged and the development of the property at Boston Creek will proceed. Diamond drilling will be undertaken prior to opening up the old workings. Present equipment consists of a mill of 50 tons capacity, five-drill compressor, 4 boilers, 2 hoists and other necessary equipment. A shaft has already been sunk on the property to a depth of 500 feet and 475 feet of lateral work carried out.

LAVAL SHARE RISE NOT YET EXPLAINED

Company Operating Large Group to West of Sudbury Basin

Laval shares had a substantial advance in the market during the week. No explanation of this has been forthcoming. The company is exploring a large group of claims in Serpent River Basin to the west of Sudbury, which it took over from Engineers' Holding Co. Diamond drilling was started some time ago, but weather conditions and an inexperienced crew did not prove conducive to progress. It is understood that an experienced crew has been transferred from Argonaut by Manager Thomas.

Laval is working on what is known as the McCool break and it is reported that this has been traced on surface for 3½ miles.

It may be that the news of good results on the nearby King-O'Gorman group is responsible for part of Laval's share activity. The King-O'Gorman is said to have cut under a diabase sill and revealed some 27 feet of excellent ore.

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Work to Proceed During Summer All Over Manitoba

Industrial Development Board Surveys Year's Plan

An up-to-date report on the outstanding mining properties in the Northern and Central Manitoba field, together with the Manitoba Department of Mines' survey plans for the coming summer, is contained in Manitoba Mining News Letter No. 13, issued by the Industrial Development Board of Manitoba which follows:

NORTHERN MANITOBA

Flin Flon

Underground work in the mine will be continued this summer and the south end of Flin Flon Lake will be drained and dammed.

Sherritt-Gordon

An active campaign is still proceeding, the power houses having been completed and headframes erected on both shafts. Underground work for the time being is confined to the west shaft where a depth of 129 feet has been reached. Lateral work at the 125-foot level is now going on. Four diamond drills are working on the property.

Mandy

The shaft has been dewatered to below the 100-foot level, the headframe completed, and machinery is being installed. Mr. J. G. MacGregor, formerly of Amulet, is in charge of the geological operations. A diamond drill has arrived and is expected to be used shortly.

Dixon Mining Co.

Part of the company's holdings, i.e., the Thomson group at Cranberry Portage, are now being electrically surveyed. Copper showings have been found.

Manitoba Basin Mines, Ltd.

The Jack Nutt group of 23 claims were acquired recently. Copper-zinc showings were discovered two years ago. Last winter some development work was done with such interesting results that a small rush was caused.

Roydon Mines, Ltd.

The company's holdings now consist of some 29 claims on which an ore body is said to have been traced for 4,000 feet. The main break is 20 feet in width at the surface, but the diamond drilling carried on at the west end was reported to have indicated a greater width at the 200-foot level. Two diamond drills are working double shifts. The chief values are in lead and zinc, but some silver is also present, and nickel is said to occur locally.

Starting May 21st, a daily train service to The Pas will be available. The change is greatly appreciated by those whose interests lie in the north country.

CENTRAL MANITOBA

Central Manitoba Mines

2,035 tons of $12 ore were milled during the month of March. Operations were greatly hampered by several shutdowns due to new installation. A third agitator has been installed and apparently has improved milling considerably.

Considerable horizontal diamond drilling was carried on at the west end of the 375 foot level, resulting in the discovery of some quartz to the south. Assay returns on this quartz are not yet to hand.

Eldorado

According to latest advice drifting is proceeding on six faces at the 125, 250, and 500 foot levels. The vein was reached at the 500 foot level after 90 feet of cross-cutting.

Oro Grande

Sinking operations intended to carry the shaft from the 125 foot level to the 500 foot, have commenced, a new headframe having been erected. Stations will be cut on the way down. Two 60 H.P. boilers, a compressor, a hoist and 1,000 cords of wood are on hand.

Shooniah Mines

This company plans to raise money to develop some 300 acres of ground between Central Manitoba Mines, Ltd., and the Eldorado operations. The claims were reported on by Mr. Jos. C. Houston, of Haileybury.

Clinton Gold Mines

A compressor, air drill, oil furnace, ore cars and a hoist, have been freighted in to the Clinton property in the Hay Lake district. A contractor is now putting down a shaft and it is reported that free gold has been found. 19 men are employed.

San Antonio

The results of the cross-cutting to the veins at the 600-foot level have not yet been announced. Diamond drilling is going on and it is reported that a hole between the No. 1 and No. 2 shaft struck a new vein at the 125-foot level.

GENERAL

The Manitoba Department of Mines has announced the following programme for the field season of 1928:

1. A party will travel through the Cold Lake area northwards by the direct route to Pukkatawagan on the Churchill River, thence by the Loon River to Reindeer Lake, of which route a travel map will be made, and will map the main copper-zinc-lead discoveries on the east side of Reindeer Lake, on the boundary between the Provinces of where the zinc-lead discoveries in that district will be mapped. D. J. Birse will be in charge.

2. A party will investigate the extension northwards of the English Brook Manitoba and Saskatchewan. It will also travel down the Churchill and Burntwood Rivers to Mystery Lake, district east of Lake Winnipeg, in order to connect up with the Little Rice River which will be surveyed. The party will then travel east of Norway House through the route into Island Lake, and will investigate the economic possibilities of the McLaughlin River and Ponask Creek territory. A reconnaissance map of the most promising territory will be made. In the latter part of the season, developments in Island Lake territory may demand study. Leonard Greer will be in charge.

3. The progress in development and the establishing of ore values in the Central Manitoba and the northern districts will be kept in review by field study. The work now proceeding in the search for oil or gas in the limestone and shale covered territory of the province will be investigated during the summer.

From information supplied by the field work, interim reports will be issued by the department during the summer when the information comes to hand. The final reports and reconnaissance maps will be published during the winter of 1928-9 in order to be available for prospectors and mining companies prior to making their plans for the following season.

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Waite Crosscut Reveals 20 Per Cent. Copper Ore

In crosscutting to get under the shallow ore body which has been proven on the Waite-Ackerman-Montgomery property, north of Amulet, a new ore body, said to assay 20 per cent. copper, was encountered. This opens up an entirely new vista for this property, which many have said was of little consequence except for the ore blanket deposit.

MINING STOCK QUOTATIONS
Week Ending May 15

	Par Val.	Div. Rate	Yield	High for wk.	Low for wk.	Close May 15	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Abana	1			3.05	2.61	2.90	72560	4.90	.20	3.95	1.75
Aconda	1			.24½	.18½	.19½	135900	.45	.14½	.47	.18
Afton	1			1.75	1.70	1.75	19125	1.36	1.00	1.75	1.25
Algonquin	1			.01½	.01½	.01½	19000	.05¼	.02	.03	.01¼
Amity C.	1			.40	.39	.40	63900	.50	.24½	.44	.24
Amulet	1			3.29	3.15	3.29	45895	7.10	.85	5.20	3.00
Apex	1			.04½	.03⅛	.3½	13000	.10	.01	.09	.03⅛
Area	1			.24½	.21	.21	37000	1.93	.23	.32	.14
Argo. Con.	1			.10¾	.07¾	.08¼	236575	.59	.25	.34	.05
Arno	1			.18¼	.16	.17½	14500			.37	.15½
Atlas	1			.02½	.02¼	.02½	8600	.07	.02	.04¼	.02
Ankerite	1			.28	.28	.28	100	1.25	1.15	1.23	.27
Albain M.	1			.48¼	.48½	.48½	1000			.50½	.20
Bayview	25c.			.08½	.08	.08½	39000			.12	.08
Bagamac	1							.19	.06	.09	.05
Baldwin	1			.02½	.02	.02½	21000	.05½	.01	.03½	.02
Barry Holl.	1			.85	.76½	.82	235100	1.50	.25	1.50	.73
Bathurst	None			.23	.22	.22	18400			.35	.22
Beaver	1			1.41	1.31	1.34	6950	2.75	.59½	2.25	1.31
Bedford	1			.39	.36	.36	35400	.52	.19	.51	.30
Bellellen L.	1			.02	.02	.02	2000	.23½	.03	.03½	.02
Bidgood	1			1.00	.95	.99½	80900	1.83	.05	1.60	.61
Big Horn	.			.31	.31	.31	300			.44	.31
Boischatel	None			.04	.03½	.03½	21300	.27	.03	.05	.01¼
Big Missouri	1			.63½	.59	.61	15950			90	50
B. C. Devel.	.							1.32	1.12	2.00	1.32
Buckingham	1			.07	.06⅛	.06⅛	19900	.09½	.03	.08⅛	.04½
Bunker Hill	None									.35	.35
Bower M.	.			1.22	1.20	1.22	1350			1.22	1.20
Cambro	1			.47	.47	.47	100	.58	.55	.55	.29
Can. Lorraine	1			.14	.10	.13	7200	.12	.10	.18½	.10
Capitol S.	1			.17	.15	.16½	15500	.34	.14	.18½	.12
Capitol R.	1			.13¼	.13½	.13½	73550	.54½	.10	.18	.12
Castle Tre.	1			.65	.59	.65	32930	1.27	.61	.81½	.55
Cen. Man.	1			1.30	1.25	1.26	26615	2.30	1.07	1.95	1.25
Chaput H.	1			.12½	.10½	.11½	33500	.20	.04⅛	.18	.08⅛
Clericy	None			.18	.15	.17	12900	.31½	.31	.36	.15
Clifton	1			.01½	.01	.01	5000	.03½	.00½	.02	.01
Coast Copper	5			37.00	32.90	33.75	455	43.25	9.75	60.00	31.00
Col. Kirk.	1			.03½	.03	.03¼	65200	.16	.01½	.09½	.02½
Coniagas	5			5.30	5.00	5.00	800	5.05	3.20	5.50	4.65
Coniaurum	5			4.80	4.80	4.80	263	5.78	2.80	5.50	4.10
Cons. Smelter	25	40+10	4.44	279	274	279	1441	274½	215	289½	251
Copper Hill	1							.68	.36	.46	.44
Corona	1			.09½	.07¼	.08¼	189300	.37	.10	.16	.07
Crown Res.	1			.58	.56	.56½	37715	.80	.39	.70	.39
Cork Prov.	.25			.35	.31	.35	54000			.47	.31
Cons. Copper	.			.14½	.14	.14	1200			.14½	.10
Cartier Mal.	.			.30	.30	.30	3000			.30	.29
Davidson	1							.03	.01	.03	.03
Dupuy	1							.79½	.09	.10¼	.10
Destor	1							.43	.20	.28	.20
Dome Mines	None	$1	10.81	9.75	9.20	9.25	5590	14.60	6.85	13.35	9.00
Dom. Kirk.	1			.02	.01½	.02	34500	.12½	.01½	.06½	.01½
Don. Rouyn	1			.15½	.12½	.15	17200	.56½	.17½	.22	.10
Dubec	1							1.48	.35	.72	.40
Duprat	1			.07	.06⅛	.06½	62550	.21	.19¼	.12½	.06
Dunkin	1			.36	.30	.30	6000			.55	.30
Dunwell	1			.32	.31	.32	2000			.35	.31
Everett	1			.02½	.01½	.02½	6000	.05½	.01¼	.03	.01½
Federal Kirk.	1			.62	.60	.61	6000	.78	.40	.77	.60
Fiske	1							.30½	.05	.10	.03
Golconda	1			.86	.85	.85				.95	.85
Goldale	1			.32	.30	.30¼	25500	.57½	.20	.44	.28
Gold Hill	1			.17	.10	.13¼	360037	.54	.22	.38½	.10
Gold Reef	1			.01¼	.01¼	.01½	6500	.02½	.01½	.02	.01
Goodfish	1			.50	.48	.49	17900			.78	.41½
Granada R.	1			.27	.26	.26¼	51500	.41	.14½	.35½	.20
Grover Daley	1			.11	.08½	.09¼	52200	.37	.08	.15	.07
Graham Bois.	.									.40	.30
Grandview	50c.			.53	.46½	.49	93000			.87	.46½
Harker	1									.43	.41
Harvie Exp.	None			.25	.20	.20	3800	2.40	.50	.85	.20
Hecla	1									1.30	.95
Hillcrest, c.	100	6	9.23					65	50	65	65
Hillcrest, p.	100	7	7.77					90	81½	90	85
Hilltop	1			.15½	.10	.11¼	42900	.25	.06½	.23½	.10
Hollinger	5	26	8.15	16.10	15.00	15.95	20923	22.65	16.40	18.10	15.00
Howey Gold	1			.93	.85	.93	88310	1.78	.42	1.91	.84
Hudson	None			19.40	18.65	19.00	4690			23.25	16.40
Indian	1			.06	.04½	.05	600	.12	.04	.15	.04½
Int. Nickel	25	$2	2.16	95	90⅛	92½	35521	90¼	38	100	73¾
Jackson M.	1			.74	.72	.73	20690	.86	.36	.86	.65
Keeley	1	8	13.11	.61	.60	.61	15900	1.66	.69	.72	.50
Keora M.	1			.02½	.01	.01	12650	.13½	.02	.05	.01
Kirk. Hunt.	1			.16	.15½	.15½	28800	.35½	.10	.26	.14
Kirk. Lake	1			1.82	1.76	1.81	34400	3.06	.82	2.75	1.50
Koot. Flor.	20c.			.33	.30	.31½	172300	.31	.22	.47	.26
Kirk. Prem.	1			.29	.28½	.28¼	1500			.40	.27
La Rose	1			.04⅛	.04	.04	4000	.12	.03	.07	.03
Lake Shore	1	40+10	2.13	23.45	22.60	23.45	7550	28.20	15.40	27.70	21.15
Lebel Ore	1			.36	.36	.36	3500	.66	.30	.59	.26
Laval	1			.18¼	.16	.17	117100	.59	.19½	.28	.15
Lorrain C.	1			.02¼	.02	.02½	47000	.03¼	.01	.03	.00½
Lorrain T.L.	1							.86	.52	.30	.30
Lucky Jim	10c.			.35	.34	.35	21000			.44	.34
McLeod R.	.									.35¼	.34½
Mandy	.			2.75	2.65	2.68	11240			3.50	2.60
Macassa	1			.40	.37½	.38	18600	.69	.18	.55½	.33
Malartic	1			1.39	1.19	1.34	430620	.78	.23½	1.50	.70
Marriott	1			.21	.16	.20	14600	.45	.35	.46	.16
McDougall	1			.41	.37	.37½	53900	.90	.24	.74¼	.35
McKinley	1			.17½	.17	.17½	2200	.25½	.11	.20	.16
McIntyre	5	20	3.71	27.00	25.25	26.95	5933	29.00	24.00	29.00	25.25
Mentor	10							.14	.12	.13	.12½
Millcrest	1			.06¼	.05	.05	14700	.15	.02	.12	.05
Mining Corp.	5	12½c.		3.50	3.30	3.40	11495	5.05	2.90	5.50	3.20
Moneta	1							.15½	.08¼	.12	.09
Montreal R.	1							.35	.10	.16	.05
Mint Ore	1			.36	.33	.36½	86600			.38¼	.25
Mond Nickel	1			45	45	45	365			46¼	31
Moss	1			.53	.50	.53	1600			.70	.35
Murphy	1			.40	.39	.40	1700			.49½	.31
Moffatt Hall	1			.23	.21	.21¼	39036			.35½	.20
Monelk	.									.15	.15
Newbec	1			.36	.25	.33	136700	1.20	.62½	.66	.23
Night Hawk	1			.08	.07	.07½	43400	.10½	.04	.10	.05½
Nipissing	5	6	6.81	4.45	4.10	4.40	3315	10.30	5.25	6.00	3.95
Noranda	None			22.60	19.40	22.25	38219	25.80	19.95	23.85	17.00
Nat. P. & D.	.			6.85	6.65	6.85	12415			15.75	5.00
Ophir	1			.01	.01	.01	2000	.04⅛	.00¼	.03	.01
Osisko	.			.45	.44	.44	7800			.64	.35
Picard	1			.15	.15	.15	2700			.77	.12½
Pawnee	1			.41	.35½	.35½	34950	.78	.64	.80	.35½
P. L. Cobalt	1			.22	.20	.20	22763	.18	.02	.24¼	.06
Porc. Crown	1			.05	.04	.04	8550	.11	.03	.08	.03
Pioneer	1			.60	.57	.60	41850	1.18	.45	.68	.48
Potter Doal	None			.13	.12	.12½	84400	.65	.10½	.22	.12
Premier Gold	1	32c.	13.91	2.33	2.27	2.30	6100	2.50	1.86	3.50	2.15
Preston	1			.02¼	.02	.02¼	11500	.07	.03	.05	.02
Pend Ore.	1			19.00	15.50	17.40	1015			25.50	8.00
Pend pref.	.			1.00	.95	.95	2010			1.40	.95
Porter Idaho	50c.			.68	.65½	.68	19000			.88	.55
Ridgedome	1			1.19	1.18	1.19	550			1.19	1.03
Ribago	1			.10½	.09¼	.09¼	41050	.87	.13	.25	.08½
Rouyn G.	1							.04½	.02½	.03½	.01½
Rouyn, Que.	1			.02	.02	.02	500	.04	.01⅛	.02	.01½
Rubec	1			.30	.30	.30	500	3.65	.80	.80	.30
Realty & M.	None			.43	.38	.41½	12800	.38	.15	.43	.09½
R. Montbray	.									.32	.25
Ruth Hope	1			.61	.57	.61	27000			.63	.57
San Antonio	None			.40	.37	.37½	49150	.57	.30	.54½	.33
Siscoe	1			.45	.43	.43	2000	.60	.12	.60	.15
South Keora	1			.04	.04	.04	700	.64½	.04½	.17¼	.03½
Stadacona	None			.12¼	.09	.11	154300	.55	.13	.21½	.09
St. Anthony	1							.50	.16	.52	.33
Sudbury M.	1			.10	.08½	.08½	13800			.33½	.08½
Sylvanite	1			3.24	3.10	3.15	2191	4.80	2.60	3.90	3.10
Sherritt G.	1			6.25	6.00	6.10	24421			8.00	5.75
Sud. Basin	None			9.95	9.25	9.92	36905			12.00	8.40
Sud. Contact	1			.33½	.29	.30	34500			.50	.29
Sunloch	1			2.60	2.50	2.50	400			6.50	2.50
Rouyn Kenn.	1			1.10	1.10	1.10	200			1.10	1.10
Slocan King	.20									.11	.08
Teck Hughes	1	10+5		9.95	9.18	9.87	51819	12.00	5.37	10.80	7.85
Telluride	1			.48	.46	.47	6850	.38	.35	.48	.37½
Tough Oakes	1			.35½	.30	.30	223250	.82	.25	.79	.30
Towagmac	1			2.72	2.50	2.55	7936	5.75	2.85	4.10	2.50
Timiskaming	1							.12	.04	.10¼	.05
Treadwell Y.	1			20.50	18.75	19.75	2010	26.75	18.50	32.00	18.75
Selkirk	.			.03	.03	.03				.03	.02⅞
Thom. Cad'c	.			.98½	.94	.98½	500			1.06	.57½
Thom. Krist	1							.02	.00½	.01½	.01
Vickers	1			.80	.65	.80	9200	1.52	.25	1.25	.60
Vipond	1			.62	.58½	.62	11053	1.74	.47	.99	.46
Wakenda	1							.16	.01	.15½	.06
West D. Lake	1			.12	.10	.10½	39050	.20	.08	.17½	.08½
Wiltsey C.	1			.40	.40	.40	1000	.74	.50	.56	.40
Wright Har.	None	20c.	4.34	4.60	4.35	4.60	36490	8.45	5.50	6.80	4.00
Windfall R.	None			.13	.11	.11½	24700	.31	.19¼	.25	.11
Whitewater	1			2.40	2.25	2.38	3200			2.85	2.25
Woodbine	None			.38	.34½	.37	7000			.42	.34½

CALGARY OIL STOCKS

	Par Val.	Div. Rate	Yield	High for wk.	Low for wk.	Close May 15	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Acme	.									.18	.17
Advance	.			.50	.35	.50	9820			.50	.25
Alta. Pac.	1			.50	.46	.49	11395			.50	.30
Black Dia.	.									.18	.15
Brit. Dom.	.			.39	.38	.38	3680			.45	.25
Calgary P.D.	.									4.25	4.25
Calmont	.			1.75	1.55	1.75	1115			1.75	.85
Cherokee	.			.7	.7	.7	100			.7	.7
Dalhousie	None			3.10	2.95	2.97	6915			4.25	2.25
Devenish	.			.51	.42	.51	5860			.51	.27
Great West	.									.20	.10
Ill. Alta.	1			.64	.57	.61	15305			.64	.45
Madison	.			.20	.15	.15	1300			.20	.14
Mayland	.			1.15	1.15	1.15	4655			1.15	1.06
McD. S. Ex.	.			2.60	1.85	2.60	3520			2.60	1.40
McD.S. N.	.			1.75	1.40	1.75	535			1.75	1.00
McLeod	1			5.40	5.00	5.40	6085			5.40	2.97
Mid West	.			.35	.35	.35	2090			.35	.26
Mill City	.			.30	.30	.30	390			.30	.27
Moose M'tn.	.									.25	.25
Okalta, com.	.			27.00	27.00	27.00	10			27.00	20.00
Okalta, pref.	.			70.00	70.00	70.00	25			71.00	70.00
Royalite N.	None			70.00	69.00	70.00	555			70.50	45.00
Signal Hill	.			.15	.15	.15	1000			.18	.14
Spooner	.			1.57	1.45	1.55	1980			2.20	1.10
Stockmen	.									.35	.32
Turner Val.	.			.42	.42	.42	250			.45	.30
United	.			1.47	1.35	1.45	405			1.47	1.12
Vulcan	1			2.40	2.20	2.35	4251			3.03	2.15

Sladen-Malartic Gets Under Way

From Our Own Correspondent

MONTREAL.—The Sladen-Malartic holding, consisting of approximately 1,400 acres in four groups in the Malartic and Fourniere townships, is already under development. Barb Sladen the managing director, is now on the property making arrangements for the summer's operations. A gang of men have been sent in and camps built. Plans are under way for further surface explorations of the discoveries made last fall. Diamond drilling plans have also been made.

The Sladen-Malartic groups completely surround, and two adjoin, the property of Malartic Gold Mines Ltd. One group of the Sladen holdings consists of 200 acres located between the Knox property and adjacent to Malartic Gold, and between the Sudbury group.

Desmeloizes Twp. Reports Activity

From Our Own Correspondent

MONTREAL.—Stirred by news that the C. N. R. will build a spur through Abana, some activity is reported in the Desmeloizes township.

If such a spur is built, it will undoubtedly benefit such mines as Dupuy and the Desmeloizes mines which adjoins the former.

Activity is also reported in the Albain mines in this district, where 14 miles of line have been cut for a radiore survey. Prospecting has also been done. Discoveries have been reported on LaReine.

Delmas Makes Discovery on Pontiac Group of Claims

Delmas Mines has started sinking Test Pit No. 3 on a recent discovery on its Pontiac group of claims. This group lies across the border in Ontario from the company's Montbray group in Quebec. The whole comprises 1,160 acres, all in one block.

Samples from near surface on the Pontiac claims show heavy mineralization of the sulphides. The showing, 100 feet by 30 feet, was located by the magnetometric survey which has now been completed on this group. Test pitting is to be continued, however, to ascertain the importance of this mineralized area.

The work of developing the Delmas claims is being pushed aggressively. During the past winter the construction of camps was completed, a magnetometric survey made, and test pits sunk.

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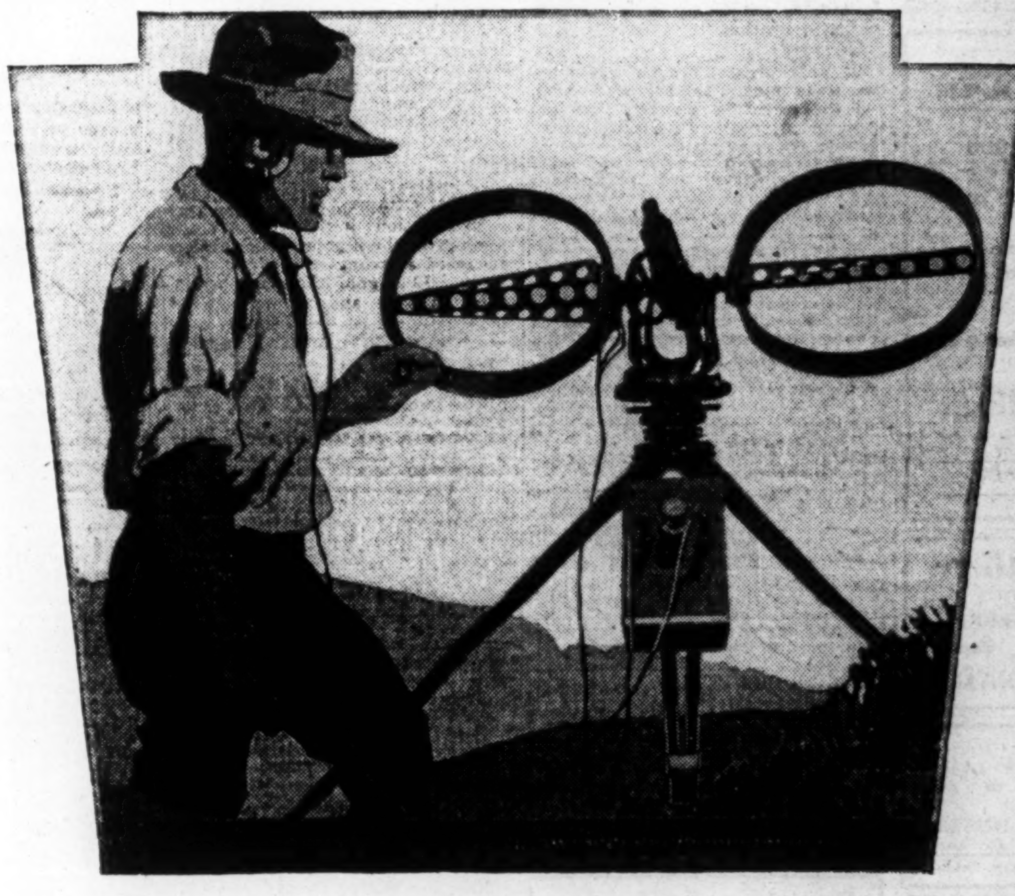

The **Trinity** *of* **Success** in Mining Development

Capital - Technical Skill - Commercial Ore

CAPITAL.—The first essential in mining development is an adequate supply of capital. Many promising mining developments fail through underestimating the capital necessary to bring the mine to the production stage. Where a few thousand dollars are sufficient for prospecting, it requires hundreds of thousands for development. Only an organization experienced through many years in the field can carefully estimate the amount required, and husband its resources for the inevitable contingencies.

TECHNICAL SKILL.—The second essential is technical skill. With the aid of Radiore Surveys, and extensive use of the Diamond Drill, trained engineers and geologists are gradually eliminating the gamble which has heretofore existed in mining. Diamond Drilling proves whether an ore body is superficial or whether it increases in size and richness with depth. The trained technical staff of our Mining Division has already proved its ability and worth by the discovery of extensive ore bodies. Backed by past experience and an intimate knowledge of the area it is now one of the most competent development organizations in the North Country.

COMMERCIAL ORE.—The third essential for a successful mine is ore in commercial quantities. The prospector may discover "surface showings" of great promise, but it is the trained field engineer who determines with scientific accuracy the four dimensions of an ore body—length—breadth—depth and commercial value, without which it is folly to consider you have a mine.

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Almost Endless Litigation Prevented Full Operation of Famous Quebec Placer

History of Nearly a Century Has Been One of Court Battles

Chandiere gold placer operations below Quebec City, which has been taken over by a Toronto and Detroit group of mining men and financiers, has figured in a terribly long list of disputes and almost endless litigation.

The new operators are satisfied that the extent of the auriferous gravels, and their known richness, will make for a profitable enterprise under modern methods of hydraulic mining. Reading the reports of past operations, one cannot help but believe that the process of law provided the boulders which clogged the numerous placer operations that marked the period from the date of discovery, 1835 to 1898, the last operation on record.

Though the group was discovered in 1835, little was done until 1846 when work was started on Gilbert River. In 1847 Chandiere Mining Co. was formed to operate this ground and on Riviere des Plantes. In 1851-2 Canadian Mining Co. operated on Riviere du Loup near St. George. Results were good. For some unknown reason both companies halted work in 1852 and until 1863 the only work done was by individual miners with pans and some met with such extraordinary success that other interests were attracted to the field and DeLery Gold Mining Co. bought the Chandier Mining Co. leases. This new company had in mind lode mining as some interesting quartz veins had been found in the district and they reached a 10-stamp mill but did not operate long in face of unsatisfactory results. An improperly constructed mill and lack of experience on the part of the operators was blamed for the failure.

DeLery Co. then divided its holdings into small leases which it gave to individual mines and later the miners and surface owners entered into litigation and this continued many years until the highest courts put the O.K. on the DeLery leases.

Only a few years later real litigation followed as related by R. S. Archibald, geologist, in his report on the operation.

He says:

"In 1877 difficulty again arose between the miners, the surface owners, and the operating company, and the Government granted licenses to miners to work on small claims. Under these licenses a number of miners and small companies operated and found much gold. Continuous difficulty was experienced on account of litigation from 1877 to 1883, at which time the Superior Court at Quebec upheld the legality of the patent under which Mr. Lockwood was operating. This judgment was confirmed by the privy council in 1884. During the period 1878 to 1885, mining operations were carried on on the largest scale during the history of the district, and a great deal of gold was recovered. These operations were profitable and the enterprise would have been successful at this time if it had not been for the serious legal difficulties which the operating company had to pass through.

During this period work was also carried on on the Bolduc, the Cumberland, the Riviere des Plantes, Meule Creek, and other streams. The operations on the Riviere du Loup in 1881 to 1882 were very extensive. In order to mine the gravel by hydraulic process, a canal eleven and one-half miles long was dug and this canal secured a water head of 150 feet. The operators, however, appeared not to understand hydraulic mining, and on account of the very extensive expenditures made, were finally forced to discontinue. During the same period, the St. Onge Brothers operated on Slate Creek near St. George, and also on the Pozer River and on the Famine River.

"During the period 1886 to 1892 mining operations were almost discontinued in the district. The result of the final settlement of the legal difficulties was that miners and prospectors were entirely prohibited from carrying on their small operations in the various streams and rivers. The larger operators had exhausted their means in litigation and in ill-conceived methods of attacking the auriferous gravels, and the result was practically a total cessation of operations.

"In 1892 another attempt was made to work the quartz veins of the district. Mr. Haycock erected a three stamp mill. This work was continued during the fall of 1895, but was discontinued apparently unsuccessful in 1896. From 1894 to 1898, the McArthur Brothers carried on operations on the Gilbert River, and on Meule Creek. In 1897 the Quebec Central Company carried on extensive operations on the Riviere du Loup.

"No detailed historical account of the operations in the district has been published since 1898. The operations have not been extensive since that time, and have all been carried on in a crude way, mostly by shaft placer mining. However, it is reported even by these crude methods that very large quantities of gold were taken out of the various streams between this period and the present time."

To Develop Claims In Shebandowan Basin

The Shebandowan Basin Mining Partnership has been formed to develop a block of ground comprising approximately 900 acres in the Shebandowan Mining area, some 50 miles west of Fort William. The claims adjoin the properties of the Sudbury Basin Mines, and are located along the main contact.

The ore of this district consists of iron pyrites, copper pyrites, and a small amount of pyrrhotite. Selected samples have run over 21 per cent. nickel and 16 per cent. copper. The mineralization is somewhat unique in that the nickel is found in pyrite and not pyrrhotite, as is usually the case.

The Hon. R. J. Manion, J. E. Arnold, Joseph Manion, Alderman J. G. MacDonald, City Engineer C. B. Symes, and J. J. Flanagan, all of Fort William, are interested in the Shebandowan Basin Mining Partnership. The partnership has a capitalization of 16,160 shares of a par value of $10. A limited amount of treasury shares is peing issued to provide for the financing of development work to be started this spring.

Timmins Will Examine Wood-Kirkland Property

Further exploration of the Wood-Kirkland property at Kirkland Lake will be undertaken by N. Timmins Inc., as soon as the spring break-up is over. Inspection of the property was begun by Alphonse Pare, M.E., the Timmins field man in January, but owing to the depth of snow the crew working under his supervision was laid off. The Timmins option, which was to have expired in April, has been extended to August. A cook and outfit have taken up quarters on the property in preparation for the crew that will again be taken on as soon as weather conditions permit. There is still two and a half feet of snow in the bush and it is thought that it will be at least two more weeks before surface exploration will be feasible.

The Wood-Kirkland lies between Pawnee Kirkland on the west and Moffatt-Hall on the east and north, while the Wright Carroll property adjoins it on the south.

Newmont Mining Corp. Shows Substantial Profit

Newmont Mining Corporation, a New York holding company interested in many of the large mining producers, and which has operating control of the Flin Flon property in Northern Manitoba, reports gross profits of $16,791,-16 for 1927. Of this total $1,435,896 was paid out in dividends and $14,493,-450 was carried to earned surplus account. During the year the company took options on and made examinations of properties in California, Nevada, Utah, Mexico, and Newfoundland, but none of these options was exercised. It has been interested with others in options on properties in South Africa and South America, on which development work is being done. It also acquired, during the latter part of the year, an interest in the Flin Flon property, in the Province of Manitoba, Canada.

Enterprise Consolidated Issues Prospectus

An attractive prospectus on the Enterprise Consolidated Mining Company has just been issued by the house of Stobie Forlong & Co., of Toronto, mining brokers. The prospectus is illustrated by cuts of the different mining properties controlled by the company, a map of the West Kootenay district setting out the location of the mines, and a summary of the present development and future prospects of the different units.

Enterprise Consolidated controls the Yankee Girl and Goodenough-Ymir Mine, in the Ymir district; Mother Lode and Nugget Mine, at Sheep Creek, and the Enterprise Mine, at Ten-Mile Creek in the Slocan Lake district.

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HOWE SOUND WILL DO MUCH BETTER IN SECOND 3 MOS.

Britannia Mill Treating 5,000 Tons—Other Operations Are Doing Well

Howe Sound Co. which in the first quarter of the present year earned $1.12 per share, after depreciation and taxes, is expected to do much better than this in the second quarter. Britannia mine in British Columbia is expected to do more than 3,500,000 lbs. of copper monthly this quarter, while the first quarter average was 3,146,200 and 3,000,000 in 1927.

Britannia Progress

At Britannia, much of the development of the Bluff West mine has been completed above the 2,200-foot level and several stopes prepared for mining, says Wall Street Journal. This orebody has not been delimited as to length, but crosscutting shows the ore is from 50 to 200 feet wide. The transportation tunnel on the 2,700-foot level has been extended into Bluff West ground for serving this orebody. In driving the tunnel the ore shoot was shown to have a length on the 2,700-foot level of at least 900 feet, while somewhat greater lengths already are opened on some of the levels above without the length being defined as yet.

With the connecting raises completed from the tunnel level, development of the Bluff West ground between the 2,700-foot and the 2,200-foot levels has begun with the orebody already fairly well opened on the 2,400-foot level. This Bluff West orebody is showing a considerably higher grade of ore than the average for the neighboring Fairview and the old Bluff orebodies.

Will Cut Costs

The new transportation system is functioning satisfactorily and should result in appreciable lowering of the cost of handling the ore at Britannia.

The Victoria orebody at Britannia, if anything, is showing slightly higher grade at depth than on the levels above. Work of preparing the 2,500-foot level is well along and opening up of the 2,650-foot level of the Victoria has started. With development of this level under way, sinking of the shaft another 150 feet will commence soon. The 2,500-foot level has opened up even better than the 2,350-foot level, which was heretofore the best level of the Victoria, and the 2,650-foot level promises to be as good as the 2,500.

Mill 5,000 Tons

Capacity of the Britannia mill, which was designed to treat from 2,000 to 2,500 tons a day, has been brought up to 5,000 tons a day by installing additional grinding and flotation equipment.

Dividend $4 Per Share

As a result of this increase in the rate of operations at Britannia and in Mexico, Howe Sound's earnings for second quarter should be appreciably better than for the first quarter, and the company, with development in all properties proceeding favorably, should be in a position to increase its output still further.

Price range of Howe Sound shares in 1928 has been 40⅝ to 57¼, with the stock selling around 56. The company is paying $4 a share a year.

Make Experimental Survey of Amulet Mines Property

A Radiore crew is making a survey of the Amulet Mines property solely at the Radiore Company's expense and at their own request for the purpose of experimental and research work.

This survey is not being made at the request of Amulet, but rather by their kind permission. Radiore officials feel that considerable experience and data of a scientific nature will be obtained by this test.

Narrow Lake Developments

Exploration and development work is to be started shortly on the property of the Narrow Lake Mining Co., at Narrow Lake. A crew of 14 men are to be sent in, and trenching, stripping and the sinking of test pits will be carried out during the coming summer.

The company has two groups of claims at Narrow Lake comprising 26 claims of 1,040 acres.

Opens Branch in Three Rivers

Announcement has been made by the Dominion Life Assurance Company of the opening of a new branch office in Three Rivers.

Macassa Mines Cut Important Ore

Macassa Mines has cut an important ore body at a depth of 900 feet in diamond-drilling from the 500-foot level. No announcement of values has yet been made as the full returns of the assayed drill cores are not yet available.

The hole in question was sunk from the 500-foot level about 1,800 feet west of the Kirkland Lake boundary. It is stated the geology here is much better than any previously met with.

Managing Director R. A. Bryce states that Macassa's new shaft will be started almost in the centre of the property, a little over 1,700 feet west of the original shaft.

ONTARIO BEGINS ITS NEW CAMPAIGN AGAINST FRAUD

Attorney-Gen. Announces Securities Fraud Act in Force

Detailed information regarding the new act to prevent security frauds in Ontario, is now being broadcast by the attorney general of the province, Hon. W. H. Price.

Simultaneously, Mr. Price has issued a statement asking public co-operation in the enforcement of the new law. In part he says:

The Government are anxious in bringing into force The Security Frauds Prevention Act, 1928, to do everything possible to protect the average citizen when he proceeds to buy securities, whether stock or bonds or other evidence of participation.

"The legislation which is now being brought into force in Ontario is not 'blue sky' legislation. It does not attempt to regulate the security, but it does attempt to regulate the broker or the salesman, no matter what type of security he is selling.

"Misrepresentations of fact can be made by the salesman, even if he is selling a good stock. It is probable that most of the misrepresentations however, are made when the salesman is trying to dispose of a poor stock or bond.

Registration of Brokers

"In order, therefore, to be in a position to regulate the broker or the salesman who does business in Ontario, the new legislation provides for registration with the Registrar, Lieut.-Col. W. W. Denison, at the Parliament Buildings. This will provide the Department with all necessary data and enable them to keep in touch with the business interests of the province, should complaints from time to time be made concerning flotations and sales of stock.

Good Promotions Can Stand Publicity

"All good development promotions, whether general business or mining, can stand publicity. In other words, the public are entitled to accurate information. It is not in the interests of the development of Ontario to have information withheld when the public are invited to put up their money. The average man in this province wants a run for his money. He does not always expect to be successful. If his money is well spent, and if it actually goes into the project, then, even if there is a loss, he will have no complaint, but he does not like to find out that it has mostly gone for promotion. This Act is intended to encourage legitimate development, and we believe it will have a tremendously beneficial effect in the development of Northern Ontario.

Filing Necessary Information

"With the firm belief that any good project can stand publicity and that any promoter should be pleased to file accurate information with the Department, the law now provides that all companies, no matter where incorporated, must file information. These forms really take the place of the old prospectus clauses in the Companies Act.

Mining Companies

"In dealing with mining companies, those administering the Act will have the active co-operation of the Hon. Chas. McCrea, Minister of Mines. They will be able to rely on information that the Mines Department has about the various mining areas and property in Northern Ontario. This will make it advisable for promoters to give accurate data about their mining prospects, as we can very readily have this data checked up if false representations are made."

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Metals Development Will be in 3 Fields

Metal Developments, which has taken a group of claims in Hodgetts Township in the Sudbury District, has uncovered veins from 4 to 20 feet wide for a distance of a half mile, according to an official of the company. A grab sample gave values in lead, zinc, and gold up to $8. No work has been done on the ground beyond staking and a rough examination, but a crew of men will be put to work cross-trenching and stripping as soon as the spring break-up is over.

The company is optimistic as to the property as the formation is reported to be similar to that of the Marshay-Zinc which is operating in the same territory.

Rus Cryderman, the well-known prospector, is reported to have staked all the ground immediately surrounding the Metal Developments property. Metals Development has had a field man staking ground in Manitoba, but no word of the work done by him as is anticipated prior to the break-up there. The same is true of the company's Clearwater Lake property.

Last word from Engineer Smith was that as the result of further surface work, two new veins, Nos. 5 and 6 had been uncovered. No. 5 vein he stated had been uncovered for a width of 20 feet. Very little work had been done on No. 6 vein at date of writing but he described this as a promising looking break, and both new veins well mineralized. A more complete report will be forthcoming after the break-up which it is anticipated will not be over in that country for another fortnight.

CARIBOU COPPER STARTS DRILLING

Results from Bourlamaque Property Are Encouraging

Caribou Copper Corporation has already met with satisfactory results in the diamond drill campaign recently inaugurated on its Bourlamaque property. Drilling was begun last month. The first hole was drilled to a depth of 276 feet undercutting the first or centre trench across the shear zone on Claim No. A-2617. The core from this hole was assayed in five foot sections and the zone of copper mineralization on surface when intersected, gave a five foot section of an average value of 11.04 per cent. copper, sixty-five cents in gold, and silver equivalent to a gross value of $31.56 per ton. A further 5 feet of lower grade when averaged over the whole width of 10 feet, gave an average value of $17.43 gross.

In submitting his progress report, Robert F. Lethbridge, field superintendent and mining engineer, states:

Interesting Sections

"It should be noted that these are two contiguous sections giving an easy mining width of ore.

"The core showed other interesting sections although none were of commercial grade but the writer feels that there are great chances for other finds being made as development proceeds.

"Amongst these other sections should be noted one encountered in the drilling between 190 feet and 200 feet where a ten foot section gave gross values of $1.78 in gold and silver over the whole width.

"No. 2 diamond drill hole has reached a depth of 75 feet at the time of writing, and shows heavy copper mineralization at three places, 40 feet, 60 feet and 72 feet, the assay from 72 feet being representative of a width of five feet, the same vein that was cut in the first hole.

"Assay results on these three were 9.12 per cent., 7.36 per cent. and 10.86 per cent. copper. These are not to be taken as final values for this hole as the assays over the whole widths are not yet complete.

5,000 Feet on Strike

"The point that the writer would draw to your attention is that the zone of mineralization has as yet hardly been touched; the length is only yet trenched to a length of 150 feet and stripped to a length of 650 feet, but there is no reason to suppose that the shearing, which is exceptionally strong is not very considerably longer, and your company owns over 5,000 feet on the strike of the bodies, assuring us of ownership of any extensions.

"The second drill hole intersected the body at a depth of over 100 feet and as the depths of similar shear zones are usually directly proportional to their widths there is no reason to suppose that the depth is not very considerable as well.

"The geology of the deposit is as yet little known due to the fact that we have been unable to do surface work through the snow and have been concentrating on our drilling campaign. The ore bodies, however, appear to be enclosed in a shear zone of Keewatin volcanics highly altered to talcose and hydromicaceous schists, striking approximately east and west and dipping north at about 80 degrees from the horizontal.

"The writer recommends very strongly that intensive development be proceeded with on this property both by continuing the drilling program to depth and laterally and by surface work, and feels that preparation should be made to carry on underground operations later in the year if the results from the next few holes are as good as those already drilled.

"In conclusion the writer would call attention to the fact that both volume and value of the ore apparently increase with depth as on surface the value of the main ore was less than 7 per cent. and the width less than three feet."

Jones-Porter Mines Cut 3-Foot Gold-Bearing Vein

Jones-Porter Mines has cut a three foot vein at a depth of 97 feet heavily mineralized and with fine gold showings, according to a telegram received from Engineer Jones. Shaft-sinking is under way at the property and has reached a depth of 115 feet. The Jones-Porter property is located in Deloro Township in the Porcupine mining district.

Thunder Bay Taps Big Vein at 50-foot

The Thunder Bay Lead and Zinc Co. has tapped the large lead and zinc-bearing vein exposed on surface, by a cross-cut run in from the shaft on the 50 foot level, according to a wire received from Robin Boyle who is now inspecting the property. The vein shows a width of 27 feet at the cross-cut, an increase in width of over 12 feet as compared with the surface outcrop.

The showing in the shaft is very rich, he states, but the balance of the cross-cut cannot be determined until further work is carried out.

The management is optimistic as to future results and it is probable that an extensive campaign of diamond drilling will be undertaken.

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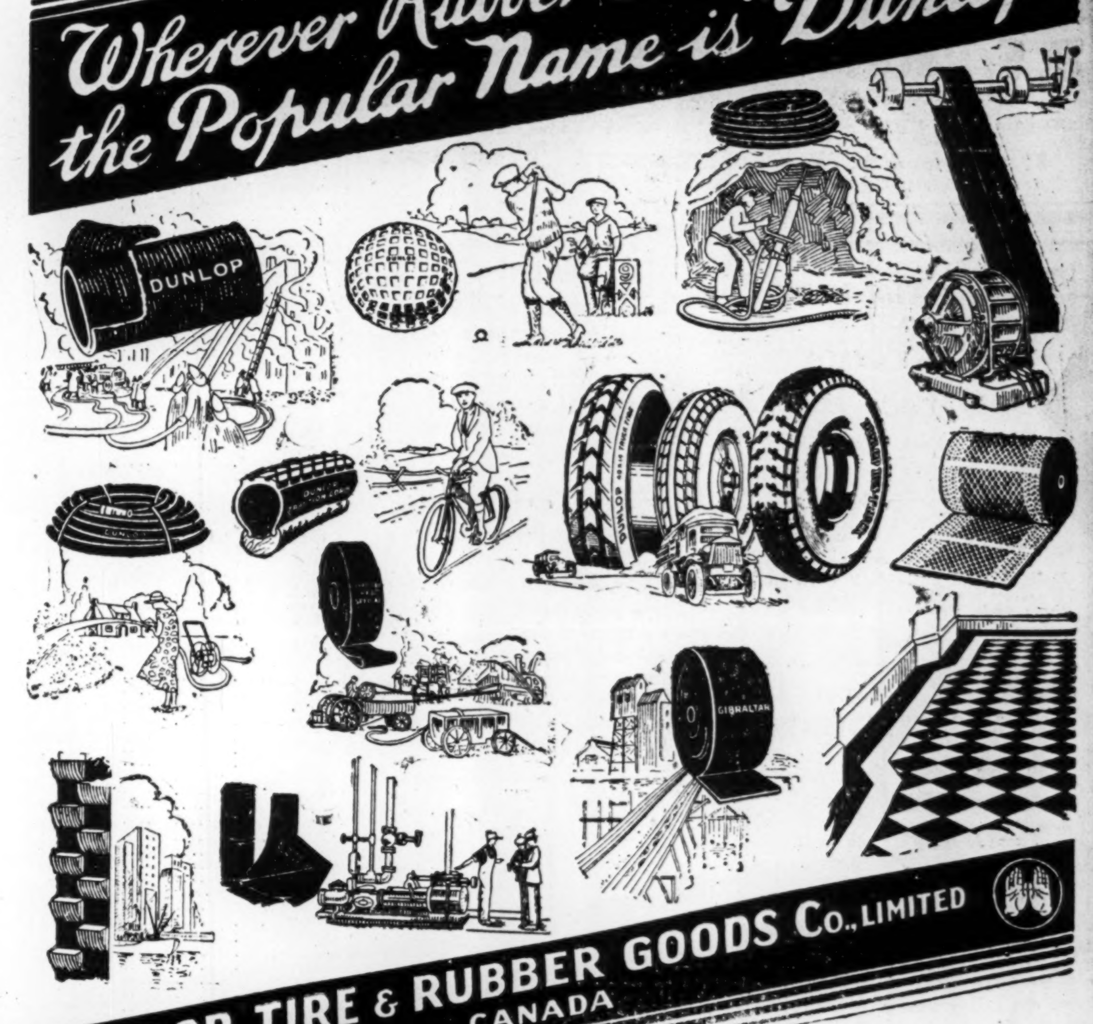

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